

## OPEC Ministers Agree on Plan To Share Production Cutback

By Bob Hagerty  
International Herald Tribune  
GENEVA — OPEC reached a tentative agreement Tuesday over how to share a temporary cut in production, but oil prices continued to weaken.

Oil ministers from the Organization of Petroleum Exporting Countries, after a second day of talks, said they expected to end their meeting Wednesday. Some of the ministers were seeking permission from their governments to accept the lower production quotas.

Energy Minister Subroto of Indonesia said, "Everyone will participate in the cuts."

The ministers decided to postpone action on the need to adjust price differentials, the variations supposed to reflect differing qualities of crude oil. Some delegates said a special committee of ministers may meet to discuss the problem in November.

Final agreement on new quotas for individual OPEC countries is needed to put into effect the cartel's plan to reduce its overall production to 16 million barrels a day from 17.5 million, effective Thursday. The ministers hope the cut will prevent the need for another drop in official OPEC prices.

Many traders were skeptical about OPEC's hope of forcing up prices by creating a temporary shortage. A London trader called OPEC's plan "a half-hearted attempt to pull the market together" after price cuts of \$1 to \$2 by Norway, Britain and Nigeria. Even so, traders were hesitant to gamble heavily on the direction of the market.

On the New York Mercantile Exchange, West Texas intermediate crude for December delivery

was settled at \$28.22, down 19 cents Monday and 36 cents from Friday. On the European spot, or noncontract, market, Arab light was quoted at around \$28, compared with OPEC's official price of \$29.

Traders and analysts were awaiting evidence that OPEC would muster enough discipline to fulfill the plan to reduce output. If strictly observed, the cutback could squeeze the market.

Wood, Mackenzie & Co., an Edinburgh stockbrokerage that specializes in oil shares, predicts that demand for OPEC oil would total about 19 million barrels a day this winter.

But demand for oil is notoriously hard to predict, depending on such unknown factors as the weather and the willingness of oil companies to dip into their inventories.

OPEC's task of trying to gauge demand is "virtually impossible," said Martin Orlean, an oil consultant at Joe Roebber Associates in London. A cut of 1.5 million barrels is within the margin of error for estimates of OPEC production, he noted.

At first glance, Mr. Orlean added, OPEC's plan appears indecisive and "surprisingly feeble."

Carol Ferguson, chief oil analyst at Wood, Mackenzie, expressed doubt over the willingness of OPEC members to hold production down if, as expected, demand exceeds the new ceiling.

"Cutting back production, it seems to me, is not really addressing the problem at all," she said.

Like many other analysts, Miss Ferguson believes OPEC must bring its price structure closer to market reality.

Under that outdated structure,



PROTEST IN CHILE — Masked demonstrators threw stones at police on the eve of a national strike called by the left. The strike Tuesday apparently drew little support. Page 2.

## Body of Priest Missing 11 Days Is Discovered in Polish Reservoir

WARSAW — Polish policemen found the body of the Reverend Jerzy Popieluszko in an icy reservoir Tuesday, 11 days after the priest, an active supporter of the outlawed Solidarity trade union, was kidnapped by three secret policemen, Poland's state-run television reported.

The official news agency, PAP, also reported that police (from whom the body was recovered) had recovered the body of the 37-year-old Roman Catholic cleric.

The body of the Reverend Jerzy Popieluszko was found and pulled from the waters of the Wolowicz reservoir after an extensive search by teams of specialized police frogmen, PAP quoted an Interior Ministry spokesman as saying.

An autopsy to determine the cause of death was ordered.

Father Popieluszko's body was reportedly found in a reservoir on the Vistula River near Wolowicz, a city in northern Poland about 30 miles (about 50 kilometers) southeast of Torun. Two of the suspects in the Oct. 19 kidnapping told officials that they threw the priest's body into the reservoir, the Interior Ministry said Monday.

Earlier Tuesday, the chief government spokesman, Jerzy Urban, said that hopes were fading that the priest would be found alive.

Solidarity's leader, Lech Walesa called for calm and mourning to allow the priest's death to unite the country in dialogue.

"Let there be silence of mourning in the whole of Poland, but let it be the silence of hope," Mr. Walesa said. "Avoid demonstration, rioting or other tensions in these days."

"I hope that everyone decided on continuing a dialogue will take part in the funeral," he said, in what appeared to be an invitation to the Polish authorities to attend. "May the tomb of Rev. Popieluszko become a place in which we shall burn our accusations."

Mr. Urban said that a ransom note received by Roman Catholic officials apparently had been sent by the three secret police officers who were arrested in connection with the abduction.

He said the three accused policemen admitted they had sent a note and made a telephone call to the Polish Roman Catholic episcopate, demanding a ransom for Father Popieluszko. Mr. Urban added that the church turned the note over to the authorities, but he gave no details of its demands.

The three men in custody are a

## Russia Places Fuel Embargo On Britain to Back Miners

MOSCOW — The Soviet Union put into effect an embargo on fuel supplies to Britain on Tuesday in support of the long strike of coal miners there, a union official in Moscow said.

The announcement of the cutoff, however, coincided with a condemnation of politically inspired trade sanctions by Prime Minister Nikolai A. Tikhonov.

Western diplomats said they were astonished Moscow had taken such a step.

A spokesman for the Soviet coal workers' union said that the embargo, announced by the union's secretary, Alexander Belousov, on state television, had been made effective at once.

Western economic experts in Moscow said Britain would easily find other sources for the kind of light crude oil supplied by Moscow and have little trouble replacing Soviet coal.

"The British can shrug this off," a diplomat said. "All it will mean is they end up with a better trade balance with the Russians."

Others said the Soviet move would have an effect only if it were followed by Poland, which has been a major coal supplier to Britain since the miners' strike began in March.

Britain, which exports North Sea oil, imported 2.7 million tons of Soviet oil last year at a cost of \$455 million (\$555 million). It also spent \$2.1 million on Soviet coal in 1983 and has purchased Soviet coal worth \$635,000 up to this August.

Diplomats said they were surprised that Moscow would announce an embargo against a Western country after condemning past U.S. sanctions on grain, sales and supplies of technology for an East-West gas pipeline.

Speaking Monday at a meeting (Continued on Page 2, Col. 5)

## Sudan Gives Saudi Financier Broad Rights to Exploit Resources



Adnan Khashoggi

By Colin Legum  
International Herald Tribune  
LONDON — President Gaafar Nimeiri of Sudan has signed an agreement that would give the Saudi financier Adnan Khashoggi rights to a half-interest in the exploitation of the country's oil resources, including the rights of Western companies if these were forfeited.

The agreement creates a new company in which Mr. Khashoggi is in effect a partner of the Sudanese government. The company has been granted unusual concessions and will have a monopoly over natural resources in Sudan that are not already in private hands. A copy of the contract was made available to this reporter by a source close to President Nimeiri.

The deal reflects the difficult economic situation in Sudan, but it is also a clear warning to the Western companies that their interests will be in jeopardy if they do not fulfill their contractual obligations to produce oil.

The Western companies involved, in a consortium, are Chevron, Royal Dutch/Shell and Total. In the past six months they have stopped or considerably slowed oil development because of security risks following the outbreak of guerrilla attacks in southern Sudan.

The fighting in the predominantly Christian south of the

country intensified following the introduction of Islamic law in Sudan in September 1983.

[The Sudanese government has reached a provisional peace pact with southern secessionist rebels, the Sudan News Agency said Tuesday, United Press International reported from Khartoum.

[No precise details of the accord were released but the agency said the proposed pact had been approved by Mr. Nimeiri, who said the accord would "stop the bloodshed."

General Nimeiri has exerted considerable pressure on the companies to resume their operations, especially at Bentiu on the upper Nile, where oil production was about to start and work had begun on laying a pipeline to a refinery on the Red Sea.

Insurgents' attacks on expatriate workers in February led the companies to suspend work and move their employees from southern Sudan to purely exploratory projects in the north.

This decision was an economic and psychological blow for the Sudanese government. Sudan is believed to have reserves of as much as 10 billion barrels of crude oil, according to a 1981 estimate by Chevron. But no significant production has begun. Three months ago General Nimeiri told the oil companies that they would forfeit their oil rights unless they resumed work.

Chevron and Royal Dutch/Shell have invested almost \$900 million in Sudanese projects, along with loans and guarantees to the Sudanese government provided by the International Finance Corp., a World Bank affiliate that invests in private-sector projects in developing countries. The investment by Total, a French state-controlled company, is still small, because it had only begun exploration when it suspended operations.

In the agreement with Mr. Khashoggi, a clause provides for taking over contractual rights held by other companies if these rights become forfeit. The full details of the agreement have not been disclosed.

General Nimeiri sent his energy minister, Mohammed Tuhami, to San Francisco to assure George M. Keller, chairman of Chevron, that the Khashoggi agreement would not affect Chevron's rights provided the company observed its contractual obligations to produce oil. But with a fresh rebel attack at Bentiu on Oct. 3, Chevron and its partners face a choice between risking their rights and risking the safety of their workers.

Mr. Khashoggi, reportedly a billionaire, has close links with Prince Sultan, the defense minister of Saudi Arabia. He also has extensive business interests in the United States, including a half-interest in the Utah Jazz professional basketball team.

(Continued on Page 2, Col. 7)

## CIA Manual Appears to Involve U.S. In an Effort to Overthrow Sandinists

By Hedrick Smith  
New York Times Service  
WASHINGTON — A controversy over the CIA's manual for Nicaraguan rebels has focused on the issue of political assassinations. But what has been largely overlooked is that the dispute has also drawn the administration, and by implication, President Ronald Reagan, into endorsing a campaign to overthrow the Nicaraguan government.

For more than two years the administration's objectives in Nicaragua have been a point of debate with Congress, with critics contending that the president was bent on doing away with the Sandinista government in Nicaragua, and the administration saying publicly that its goals were more limited.

Both Democrats and Republicans assert that the manual sheds new light on the administration's real goals.

The president has said the manual was written by a CIA contract employee and reviewed by CIA officials here and in Central America before being printed. On Sunday, Senator Daniel Patrick Moynihan, a Democrat of New York, said the manual was drawn from material used in the training of U.S. Special Forces during the Vietnam War.

The senator, who is deputy chairman of the Senate Select Committee on Intelligence, said the manual included "word for word" passages from guerrilla warfare instructions developed by the army in 1968.

In his debate with Walter F. Mondale, Mr. Reagan said he objected to passages in the manual that advocate and give advice about political assassinations. He said that this violated an executive order he issued in 1981 and that,

after an internal CIA investigation, the people responsible would be removed.

But the president raised no objections during the debate, and has not since then, to the basic message of the manual, which describes guerrilla war as a form of political war that in Nicaragua is intended to spread throughout the population to foment open revolution to overthrow the Sandinista "structure."

The manual contains several sections setting out techniques and objectives for the Nicaraguan Democratic Front, a group backed by the CIA. The published version of the manual, available here, contains assertions that "the overthrow can be achieved and our revolution can become an open one, requiring the close collaboration of the entire population of the country."

Mr. Reagan, by reporting that the manual had been reviewed and



Daniel Patrick Moynihan

edited to delete objectionable passages, first by the CIA "man in charge" in Central America and then by CIA headquarters in Washington, indicated that the published version had official approval.

Some critics read Mr. Reagan's

## Republicans in Middle Atlantic States Expecting Reagan Popularity to Help

By William Robbins  
New York Times Service  
WILMINGTON, Delaware — The silver-haired candidate moved briskly to the lectern and, speaking in a brisk voice, wasted no time in making her point to the Kiwanis Club.

"Tom Carper and I are as different as day and night," she said.

For Delaware residents, there was a difference it hardly seemed necessary for the speaker to mention. She is a du Pont. And she is trying to unseat Thomas R. Carper, a Democrat, the state's only United States Representative.

Elise du Pont, like Governor John D. Rockefeller 4th, a West Virginia Democrat, bears one of the most widely recognizable names among candidates in a wedge-shaped band of four Middle Atlantic states between New York and Virginia.

And she is one of the candidates

in the area on whom the Republican Party has pinned part of its hopes for gains in the next Congress.

Governor Rockefeller, who cannot succeed himself after two terms, is expected to win a Senate seat easily and keep speculation alive that he may one day run for still higher office.

The two are running in an area where Republican candidates can expect some help from the popularity of their ticket leader, President Ronald Reagan, if recent polls prove accurate.

In Delaware, the only polling data available have come from politicians, but even the most recent taken by Democrats, in late September, showed Mr. Reagan ahead of Walter F. Mondale by 17 percentage points.

The narrow margin among the most recent polls was shown in West Virginia, where The Charleston Daily Mail two weeks ago reported the president leading Mr. Mondale by about 9 percentage points. A poll published Oct. 17 by The Pittsburgh Post-Gazette gave Mr. Reagan a 10-point lead in Pennsylvania, and a poll published by The Baltimore News American gave him a lead of 12 points in Maryland, which is usually regarded as a Democratic state.

Mrs. du Pont, 48, is also the state's first lady, the wife of Pierre S. du Pont 4th, the popular Delaware governor. But her supporters say she has established a record of her own as a Reagan appointee. Three years ago, to the Agency for International Development.

Mr. Carper, 37, served three terms as state treasurer before his election to Congress in 1982. His campaign cites a lead of 8 or 9 percentage points in its own polls.

The Republican gubernatorial candidate, Michael N. Castle, who serves with Mr. du Pont as lieutenant governor, is viewed as far ahead of his Democratic opponent, William T. Quillen, a former justice of the state supreme court.

Political experts here also see Sen. Joseph R. Biden Jr., a Democrat, as an easy winner over his Republican opponent, John M. Burris, a businessman and former state representative. But the margin of a Biden victory will be of interest nationwide because the senator is prominent as a potential Democratic presidential candidate.

In two other states in the region, Pennsylvania and Maryland, a few other races are seen by Republicans as opportunities for gains in the House.

One is a contest for a seat now (Continued on Page 2, Col. 6)

## After Years of Decline, Foreign Language Study Revives in U.S.

By Gene I. Macroff  
New York Times Service  
NEW YORK — Interest in foreign languages is reawakening in U.S. schools and colleges after an era of neglect, paving the way for what educators hope will be a breakthrough in resistance by Americans to learning a second language.

Responding to an outpouring of reports urging higher educational standards and to the growing demand in government and business for people who know foreign languages, colleges are reinstituting language requirements abandoned in the late 1960s. In turn, high schools are finding it easier to coax students into foreign language courses.

However, a study conducted this year by the National Center for Education showed that, although almost 80 percent of high school students have access to at least one language other than English, fewer than half study a foreign language. Only 6 percent of all students attend high schools that require more than two years of a foreign language.

But now at the level of higher education, according to a study of the Modern Language Association, things are changing. "After 12 years of decline or stagnation, colleges and universities are reporting increased enrollments in languages other than English." Officials welcome the change, it, questions are being raised about the quality of instruction

and whether there will be the resources and commitment to sustain the gains.

From 1980 to 1983, college enrollments increased 40.2 percent in Japanese, 26.7 percent in Russian, 15.9 percent in Chinese, 11.2 percent in Italian, 8.8 percent in French, and 1.8 percent in Spanish, the association reported.

Even Latin and Greek are reappearing after vanishing from some curriculums in the campaign for "relevancy" that began in the mid-1960s. The Dallas schools sent a recruiter to Massachusetts to persuade a teacher of Latin to move to Texas.

"Today there is more elementary school Latin being taught in the United States than at any time in this century," said Rudolph Masciantonio, a Philadelphia school administrator.

But the surge of language study is not without controversy. In some departments at the University of Pennsylvania, conversational techniques are being emphasized over the grammatical and literary skills that were once staples of foreign language instruction. Advocates of these new approaches say students get quicker gratification. Critics say there is a danger of superficiality.

Many students, such as John Shumaker, a senior who is majoring in computer science at the University of Illinois at Urbana, still feel that studying a foreign language is a

nuisance. "I don't think it's very useful," Mr. Shumaker said of the one-year course in German he is taking to fulfill a requirement. "I will be using it less than 1 percent of my life, but it constitutes more than 1 percent of my course load."

The idea of foreign language requirements for high school diplomas is being challenged by educators who wonder whether courses will be watered down to accommodate students who are not headed for college. It may also be more difficult to find qualified teachers.

Despite such improvements, enrollments in such languages as Chinese, Japanese, and Russian remain extremely low compared with the numbers of students studying English in China, Japan, and the Soviet Union. The interest in foreign languages came so suddenly that several publishers say they are unable to fill orders from school systems.

Colleges are also luring students to languages by linking courses to business studies. Commercial courses in French, Italian, and German are given at Queens College, of the City University of New York, a school where enrollments in traditional foreign language courses have tumbled.

Academics who question this approach say a language should be studied for its intrinsic value, not as a sidekick to advance a career in international trade. "We're under pressure to offer more courses such as service courses in business German," said Michael W. Jennings, a professor of German at Princeton. "Most of the faculty think that is bad."

## U.K. Reverses Air-Fare Ruling

The Associated Press  
LONDON — Britain announced Tuesday it would not require the 130,000 passengers who bought low-price tickets on flights between Britain and the United States starting Nov. 1 to pay higher fares.

Nicholas Ridley, the secretary of state for transport, said, "I want to leave the passengers out of this. This is not a row about passengers. We don't want to harass them."

Mr. Ridley said the 13 British and American airlines that had continued to sell the tickets — despite Britain's refusal to approve them — could face criminal charges. The low-fare tickets averaged \$325 (about £270), a saving of about \$63. Standard low-fare tickets on People Express and Virgin Atlantic were not involved in the dispute.

## INSIDE

■ Nicaragua's opposition parties believe there are attempts to undermine an election boycott. Page 3.

■ Delaying the polls, Walter F. Mondale is confident of an upset victory next week over President Ronald Reagan. Page 3.

■ An effort by India to prosecute an AP reporter has stirred protests over the issue of freedom of the press. Page 5.

■ Letters and poems from Vietnam veterans and their families will be the basis for a Vietnam War memorial. Page 6.

BUSINESS/FINANCE

■ Japan's surplus in its current account widened sharply last month. Page 9.

■ Sales of new homes surged 21.9 percent last month in the United States. Page 9.



## Paris, Bonn to Extend Customs-Free Crossings

**Agence France-Press**  
**BAD KREUZNACH, West Germany** — President François Mitterrand of France and Chancellor Helmut Kohl of West Germany agreed Tuesday to extend the customs-free zone along their joint border.

In a joint statement, they announced that more customs-free border posts would be added to the existing three, allowing motorists to drive through 15 border posts without stopping.

The statement noted that the leaders decided to end border controls between the two countries during their summit meetings last May at Rambouillet, France, and last June at Fontainebleau, France.

It added that Mr. Mitterrand and Mr. Kohl were convinced of the need to remove all obstacles to free movement over their common frontier "so that citizens of the European Common Market could cross without hindrance."

The statement said the two leaders foresaw further cooperation between police forces and a joint police on visas.

The agreement on free passage over the common border has been in effect since July 13.

### European Unity Discussed

Mr. Mitterrand and Mr. Kohl wound up their two-day meeting Tuesday expressing hope for an early initiative on East-West détente and their determination to pursue the goal of European unity, Reuters reported.

Mr. Kohl said both leaders hoped a new move on East-West relations would come "in the shortest possible time" after next week's U.S. presidential elections.

On European unity, Mr. Kohl

said that before deciding their next move, France and Germany were waiting to see the first report on all aspects of European integration due next spring from a committee set up at the Fontainebleau summit.

Mr. Mitterrand and Mr. Kohl also stressed their firm commitment to the planned entry of Spain and Portugal into the community at the start of 1986. But Mr. Kohl said the question of Spanish wine production was a major problem and that both sides must compromise.

This week's talks were also attended by foreign, finance, defense, economic and technology ministers from both cabinets. They reached agreement on three space projects.

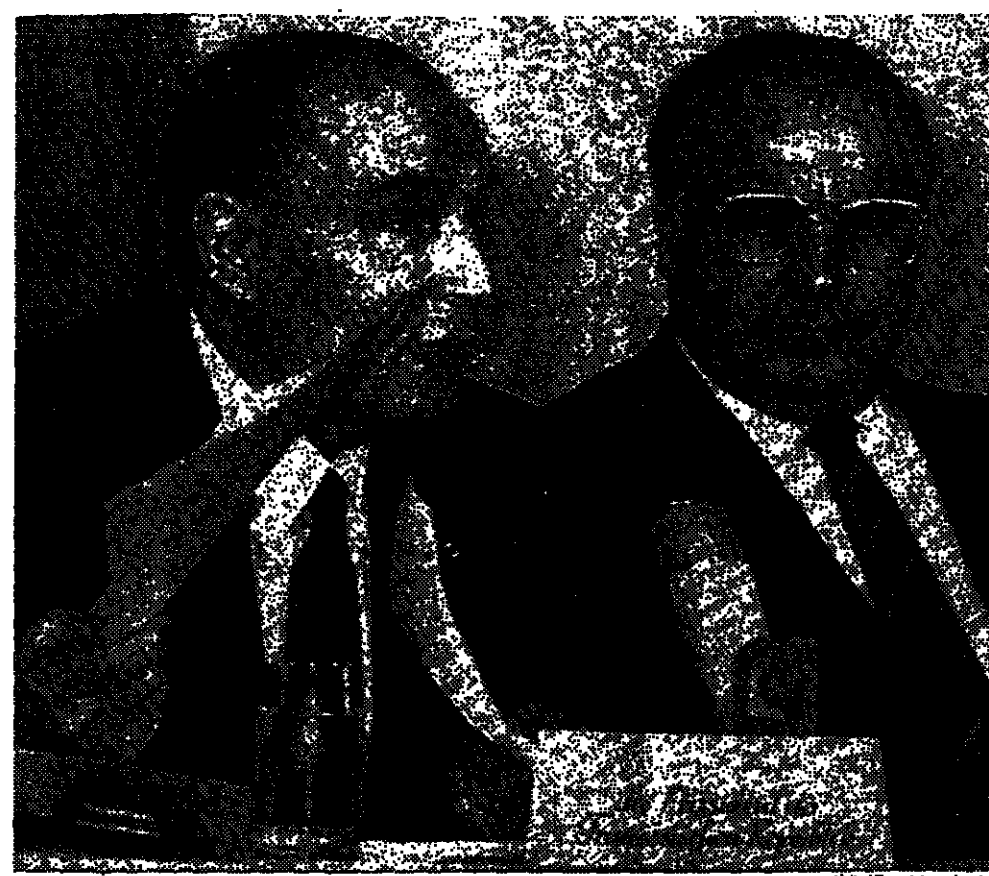
Mr. Kohl and Mr. Mitterrand said West Germany would continue to support the French Ariane-5 satellite program.

They also agreed that Europe should participate in U.S. plans for a manned space station.

But they said the question of a French-German "spy" satellite had been referred to a special committee of technical and scientific experts. Mr. Mitterrand denied press reports of disagreement over the satellite. Both countries wanted to be sure of developing the most technologically advanced military satellite, he said.

Both nations also agreed on a mutual car telephone network to begin in 1989.

Mr. Kohl defended Bonn's unilateral decision to require the use of lead-free gasoline and catalytic converters on exhaust systems for all new cars and trucks beginning in 1989. But he said he preferred a European solution and West Germany was willing to listen to alternative ideas.



François Mitterrand of France with Helmut Kohl of West Germany on Tuesday.

## Italy Drops Charges of Plot on Walesa

**New York Times Service**

**ROME** — An Italian magistrate has decided not to press charges against six men who had been named as participants in a purported 1980 plot to kill Lech Walesa, the founder of the Solidarity movement in Poland.

The men were accused in secret

testimony given in 1982 and 1983 by Mehmet Ali Agca, the Turk convicted of shooting Pope John Paul II.

The magistrate, Judge Mario Martella, announced his decision against prosecution in the Walesa case on Friday, at the same time that he issued indictments against three Bulgarians and four other Turks as participants in a plot on the pope's life.

Three of the men named by Mr. Agca in a Walesa plot, Sergei I. Antonov, Todor S. Aivasov and Lieutenant Colonel Zhelyo K. Vasilev, are the same Bulgarians indicted in the case involving the pope. Only Mr. Antonov is in custody. Mr. Aivasov and Lieutenant Colonel Vasilev are in Bulgaria.

The three others named in the Walesa matter are Luigi Scricciolo, and Salvatore Scordo, both Italian union leaders, and Ivan Donchev, a Bulgarian diplomat.

Mr. Agca subsequently retracted his testimony about a Walesa plot, saying that while he believed that there had been a plot to kill the Polish union leader, he had given false testimony about his role in it "to make my charges against the Bulgarians more credible."

In his 1,243-page report, 13 pages of which were released Fri-

day, Judge Martella said he had decided not to begin legal action against the first five men "for the crime of massacre and illegal possession and transport of explosives." The charges dropped against Mr. Scordo were "for the crime of massacre."

The judge listed the charges as "crimes for which the above-mentioned were suspected in relation to the actions of January 1981 as regards Lech Walesa."

## Russia Orders Curbs on U.K.

(Continued from Page 1)  
 of the Comecon trade grouping in Havana, Mr. Tikhonov said all Communist countries "are opposed to using international economic links for political aims... and to embargoes and sanctions."

The Soviet press has made no mention of Mr. Belousov's announcement, but diplomats said the fact that he was given prime time on television Monday for it left no doubt that he had Kremlin backing.

Despite its avowed opposition to the practice, the Soviet leadership had applied a trade boycott against South Africa for political reasons and had dealt in a similar way with Israel.

### Concessions Ruled Out

On the eve of new talks with Britain's striking miners, the head of the National Coal Board, Ian MacGregor, ruled out further concessions. The Associated Press reported from London.

"We have nothing to give them — I am sorry, nothing at all," Mr. MacGregor said Tuesday.

His comments in a radio interview were similar to those of the energy secretary, Peter Walker, who told Parliament on Monday the board would make no further compromises.

Previous talks have foundered on the board's insistence on the right to close unprofitable mines and the rejection by the National Union of Mineworkers of any closures on economic grounds. The union insists mines should not be closed unless their reserves are exhausted or they have become unsafe.

Arthur Scargill, the militant leftist who leads the union, said Mr. Walker's remarks made "it clear that the government is determined to wreck any hope of a negotiated settlement to this costly and damaging dispute."

### Thatcher Demands Peace

Prime Minister Margaret Thatcher demanded Tuesday that miners accept a peace formula agreed to last week by the state-owned industry and a mine-owners' union. The Associated Press reported from London.

She also denounced up officials of the National Union of Mineworkers for meeting with the Libyan leader, Colonel Moammar Qadhafi, and his aides to seek backing for the strike.

### Strong Quake Strikes Soviet

**Moscow** — A strong earthquake struck the Soviet central Asian republic of Tadzhikistan Saturday, causing many serious injuries and destroying buildings, a Soviet newspaper reported Tuesday.

## Most in Chile Fail to Heed Strike Call By Leftists

**The Associated Press**

**SANTIAGO** — A national strike called by leftist labor leaders and a Marxist political coalition in Chile won little support Tuesday. Two persons died in scattered violence in the capital.

The Medical Association said many doctors closed their offices for the day, but there appeared to be little other voluntary support for the work stoppage.

Thousands of residents of Santiago walked to work by bus and taxi services kept many vehicles off the street. The services had refused to take part in the work stoppage, but curtailed operations because they were reluctant to risk threatened damage by street gangs supporting the strike.

But the industrial belt around the capital operated at near normal capacity, factory foremen said.

Chile's copper mines and oil fields reported full worker attendance, as did airlines, public utilities, railroads and shops. Trucks unloaded fresh produce at Santiago's central market.

"The only impact was felt in public transportation because of acts of intimidation against drivers," said Alfonso Marquez de la Plata, secretary-general of the government.

Rodolfo Seguel, head of the Workers' National Command, said that while "it is true that as far as workers concerned it has not been 100 percent, the result has been much more than we expected."

Tuesday's strike, called by the workers group and the Popular Democratic Movement, a Communist-led coalition of leftist parties, was the second attempted national strike since the start of widespread demonstrations against military rule in mid-1983.

But many large unions, independent truckers, shopowners and the main opposition Democratic Alliance, a coalition of six non-Marxist parties including the Christian Democratic Party, refused to support the strike.

The Christian Democratic Party opposes General Augusto Pinochet, but it also opposes the use of violence, which the Communists and the left have increasingly turned in their struggle to overthrow the government.

Monday night and early Tuesday, police dispersed youths in Santiago's main square, on several university campuses and at flaming street barricades set up after dark in scores of working-class districts.

The two deaths were reported as police fought with protesters while clearing barricades in working-class districts of the capital.

(AP, UPI)

## Reagan Helps In Delaware

(Continued from Page 1)  
 held by Representative Bob Edgar, a Democrat in the predominantly Republican seventh district of Pennsylvania. Edgar is opposed by Curt Weldon, a county commissioner and former mayor of Marcus Hook.

In suburban Bucks County's eighth district, Republicans now see a chance for their inexperienced candidate, David Christian, a highly decorated veteran of the Vietnam War, who entered the contest late after no leading Republican could be persuaded to oppose Representative Peter H. Kostmayer, a Democrat.

In Maryland, Republicans are confident of retaining their one House seat and hopeful of capturing another, in the second district, north of Baltimore. The seat is now held by an 11-term Democrat, Clarence D. Long. His challenger, Helen D. Bentley, lost to Mr. Long by 8,400 votes in 1982.

No such chances are seen for House gains by Republicans in West Virginia.

Mr. Rockefeller, the tall, 46-year-old namesake of the founder of Standard Oil, is facing John R. Raese, a wealthy businessman. A recent poll showed Mr. Rockefeller leading by 26 percentage points.

If he harbors hopes for the presidency, critics in West Virginia say, he has paid for the opportunity. He has spent \$7.79 million so far, including a loan to his own campaign of \$6.5 million. His opponent has reported spending \$379,033.

Republican Arch A. Moore, an old political foe of the governor's, leads by 23 percentage points in the race to replace Mr. Rockefeller. His opponent is Clyde M. See, a conservative Democrat.

Next: President Reagan is likely to sweep the Western states, but the Democrats will probably retain most congressional seats.

### U.S. Moon Base Seen in 2010

**WASHINGTON** — U.S. astronauts could set up a permanent base on the moon by 2010, James M. Beggs, the head of the National Aeronautics and Space Administration, predicted at a seminar Monday.

The objects of the new company, as set out in the agreement, are to undertake all work connected with oil exploration, development, construction, refineries and harbor installations. The company will "acquire all the rights, title, concessions, leases, royalties of the Democratic Republic of the Sudan in respect of any deposits of the petroleum business, including but not limited to oil, gas and related hydrocarbons."

## WORLD BRIEFS

### Chinese-Soviet Talks on Ties Stall

**BEIJING (AP)** — China and the Soviet Union have made no progress on the three major obstacles between them during a fifth round of normalization talks in Beijing, a senior Chinese official said Tuesday.

The official, who asked not to be identified, said the two sides had agreed to continue the talks, held at six-month intervals, in Moscow next year. "There's been no progress on the major differences," the official said.

China has defined the three major obstacles as the presence of 600,000 Soviet troops deployed on the Chinese-Soviet and Chinese-Mongolian borders, Moscow's backing for the Vietnamese in Cambodia, and Soviet intervention in Afghanistan. Moscow has said it cannot negotiate understanding that might be detrimental to "third countries," meaning Vietnam, Afghanistan and Mongolia.

### Bolivian President Ends Protest Fast

**LA PAZ (UPI)** — President Hernán Siles Zuazo has called off a protest hunger strike after 95 hours, saying he has accepted an offer from the Roman Catholic Church to smooth Bolivia's political strife.

Mr. Siles Zuazo, 71, began consuming only liquids last Thursday, calling his fast a gesture for national "reflection and peace" and a protest against a congressional vote of censure accusing him of being soft on the country's \$2-billion cocaine trade. He announced his decision to end the fast Monday evening.

"I have accepted the initiative of the Bishops' Conference, for whose pastoral mission I have a high regard," he told supporters at the Quemado Palace in downtown La Paz. "Therefore, accepting the Christian request of the Bishops' Conference, I have decided to suspend my hunger strike."

### Police and Rioters Clash in Manila

**MANILA (UPI)** — Riot police fired rifles into the air and tear gas at 800 marchers Tuesday who were demanding a "people's court" to try the nation's armed forces chief for the slaying last year of the opposition leader Benigno S. Aquino Jr.

Police officers watching from bank buildings threw bottles, flower pots, rocks, ash trays and highballs at the 300 police. Officials said 11 policemen and the fire chief were injured. The marchers were led by Agapito Aquino, Benigno Aquino's brother.

One demonstrator clutched on the head was hospitalized. At least 14 persons were arrested, many of them dragged away by their hair. It was the first display of violence against critics of President Ferdinand E. Marcos since a civilian commission implicated the military last week in Mr. Aquino's slaying. Most of the commissioners said the armed forces chief, General Fabian C. Ver, was "indictable" in the slaying.

### Honduras Says Cuba Trained Rebels

**TEGUCIGALPA, Honduras (UPI)** — The Honduran military says that Cuba and Nicaragua are training Honduran leftists in guerrilla tactics in an effort to build a large-scale rebel movement.

The military showed 19 alleged rebels at a Monday news conference where five of them said they received military training at a school in the western Cuban province of Pinar del Rio.

Captain Carlos Quezada, a military spokesman, said the 14 others were involved in "political training to raise the level of consciousness and build support organizations for an armed movement."

### Bazooka Found Near U.S. Embassy

**LISBON (Reuters)** — Portuguese police said Tuesday that a crude double bazooka was found near the new U.S. Embassy in Lisbon on Saturday in what appeared to have been an abortive bombing attempt.

Police said a tip by a Portuguese Communist Party official had led to the discovery and dismantling of two iron tubes, tied together, each containing a bazooka grenade. The device had been wired for electrical detonation but the mechanism was faulty, police said.

The embassy is in a western suburb of Lisbon, near the Communist headquarters. Police reported that their informant said he had been told by two children that they had seen the device, fixed to a crude wooden ramp between the two buildings.

### Israel Vows Action on Bus Attackers

**TEL AVIV (NYT)** — Minister of Police Haim Bar Lev assured the Knesset, the Israeli parliament, in Jerusalem Wednesday that the security services were giving high priority to the eradication of the Avengers, the new Jewish extremist group which accepted responsibility for Sunday's rocket attack on an Arab bus in Jerusalem.

The minister said the group will be dealt with as effectively as another group of Jewish anti-Arab terrorists had been earlier this year. Twenty-five of its members were arrested in May and are on trial for various terrorist acts or already convicted.

Meanwhile unrest continued on the West Bank in the wake of the bus attack, in which one Palestinian was killed and 10 other passengers injured.

### For the Record

The Japanese government will sell products of the Morinaga candy company at 4,000 local public offices, a government official said Tuesday in Tokyo. The company's sales have declined sharply since extortionists poisoned its products and placed them on store shelves early this month. The government said 27 other companies have received extortion letters this month.

Two Moslem militiamen were executed in Lebanon by firing squad Tuesday on a fairground in Tripoli for the murder of five civilians. The condemned men were members of the pro-Syrian Arab Democratic Party, which ordered their executions. They were said to be the first by the party involving its own members.

### Sudan Gives Saudi Financier Broad Rights on Resources

(Continued from Page 1)  
 ketball team and a one-quarter interest in the \$600-million Triad Center of shops, offices and condominiums in Salt Lake City.

Mr. Khashoggi has represented numerous American and European defense contractors in Saudi Arabia. He has denied charges that in the early 1970s he passed under-the-table payments from the Lockheed Corp. and the Northrop Corp. to Saudi officials in an attempt to win military contracts.

Last year he signed a \$100-million agreement with President Mobutu Sese Seko of Zaire for mineral development despite a decision by Saudi Arabia and other Arab League countries to boycott Zaire because it had resumed diplomatic relations with Israel.

The negotiations between General Nimeiri and Mr. Khashoggi were conducted in secrecy. The formal contract was prepared by Mr. Khashoggi's lawyers, not by the Sudanese government's legal department.

The agreement sets up a private company, the National Oil Company for Sudan Ltd., known as NOC, with two issued shares, one held by the Sudanese government and the other by Mr. Khashoggi's main holding company, Sigma International Ltd. This essentially gives Sigma rights to half of the country's natural resources.

The objects of the new company, as set out in the agreement, are to undertake all work connected with oil exploration, development, construction, refineries and harbor installations. The company will "acquire all the rights, title, concessions, leases, royalties of the Democratic Republic of the Sudan in respect of any deposits of the petroleum business, including but not limited to oil, gas and related hydrocarbons."

NOC will be given the power, by presidential decree, to acquire at a "fair price" all existing refinery and petrochemical plants, pipelines, tanks, land, machinery and buildings, subject only to existing rights

of third parties, such as the Chevron consortium.

These rights can be declared forfeit and offered to NOC "at fair value" if the third parties are found to be in breach of their contractual obligations.

The agreement with Mr. Khashoggi provides for a finance company to be set up. Its details have not been announced, but according to a telex message sent by Mr. Khashoggi to General Nimeiri, it includes an undertaking by Sigma International to arrange and obtain letters of credit and export guarantees for "up to \$400 million" for NOC during a period of 8 to 10 years. The Sudanese government itself will guarantee repayment of these credits and guarantees.

Perhaps the most unusual aspect of the agreement is the wide concessions offered to Sigma as an equal partner of the Sudanese government.

These include the waiving of some of the Islamic laws recently enacted by General Nimeiri. NOC will be exempt from the prohibition against payment of interest. Its employees will not have to pay personal income tax.

Among the other concessions that are to be provided by presidential order are exemptions for NOC from:

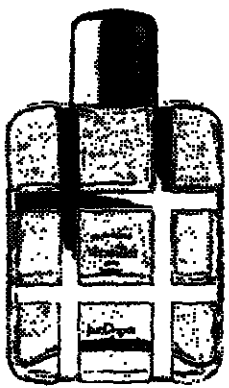
• All taxes, including those on business profits, and customs fees.

• All restrictions on importing goods, directly or through others.

In addition, the company may develop sources of locally produced materials and commodities, which it may purchase free from fees, excise taxes or royalties.

Sigma will be granted immunity from nationalization. The agreement declares the "supremacy" of these arrangements over all present and future provisions.

Exemption from taxes and import duties for companies has been unknown under Sudanese law except for limited periods, generally restricted to particular projects, of up to five or six years.



VERSAILLES  
POUR HOMME.



Jean Desprez  
PARFUMS PARIS

HOTEL METROPOLE  
GENEVE

• Grand Luxe  
• The Place to Stay  
• The Place to Meet  
34 Quai Central Genes  
1211 Geneva 3  
Tel: 022/211.15.44  
Telex: 421.550

UNIVERSITY  
DEGREE  
For Life, Academic & Work Experience  
You may qualify for  
BACHELOR'S MASTER'S DOCTORATE  
Send detailed resume for  
a free evaluation.  
PACIFIC WESTERN UNIVERSITY  
8000 North Blvd. #201, Irvine, CA 92618 USA

هذا من الأصل



## Reagan Camp Foresees Sweep Of 50 States, Gain in Congress

By Steven R. Weisman  
New York Times Service

PARKERSBURG, West Virginia — President Ronald Reagan drew noisy, emotional responses from both supporters and protesters as he opened the final week of a re-election drive that aides said would concentrate on the traditional Democratic strongholds of the Northeast and Middle West.

Mr. Reagan's advisers asserted that his lead in the opinion polls made it possible for him to try for a sweep of all 50 states and for heavy Republican gains in the Congress.

The visit Monday to this economically ailing and heavily Democratic state, which has only six electoral votes, was described as part of the strategy.

After spending Tuesday and Wednesday at the White House, Mr. Reagan leaves Thursday to see if he can win Massachusetts, one of the most Democratic states. Then he will go to Rochester, New York, and to the Detroit area, followed by stops in Ohio, Illinois, Arkansas, Iowa, Wisconsin and Missouri. His plans call for him to spend the last full day of campaigning next Monday in his home state, California. The absence of a visit to Texas reflects the campaign's view that that state is secure.

James H. Lake, the Reagan campaign spokesman, said that by his calculation Walter F. Mondale could not win unless he carried Ohio, Illinois, Michigan and Missouri.

If Mr. Reagan wins only one of these states, Mr. Lake said, he will be virtually assured of winning the 270 electoral votes needed for election, and therefore these states will be in the forefront this week.

Mr. Reagan was greeted with roars of approval from 3,500 students at Millersville State College in the farmlands of Lancaster County, Pennsylvania. A handful of protesters sought to disrupt the proceedings, but their schoolmates shouted them down or muffled them, in some cases by putting a hand over their mouth.

At one point, several Reagan supporters seized a protester and carried him out of the gymnasium as the crowd cheered.

"Did somebody just leave back there?" Mr. Reagan asked with a smile, prompting still more cheers. Later in West Virginia, thousands of supporters packed a high school gymnasium and stood on the lawn outside listening and cheering Mr. Reagan. There were a few negative signs along his route, but the crowd was overwhelmingly friendly.

While hammering at Mr. Mondale on national security and economic issues, Mr. Reagan appealed repeatedly for Republican candidates for the Senate and House of Representatives. Seeking to share his own popularity with others on the ticket, he said he would rather have a "sympathetic Congress" than a big victory margin for himself.

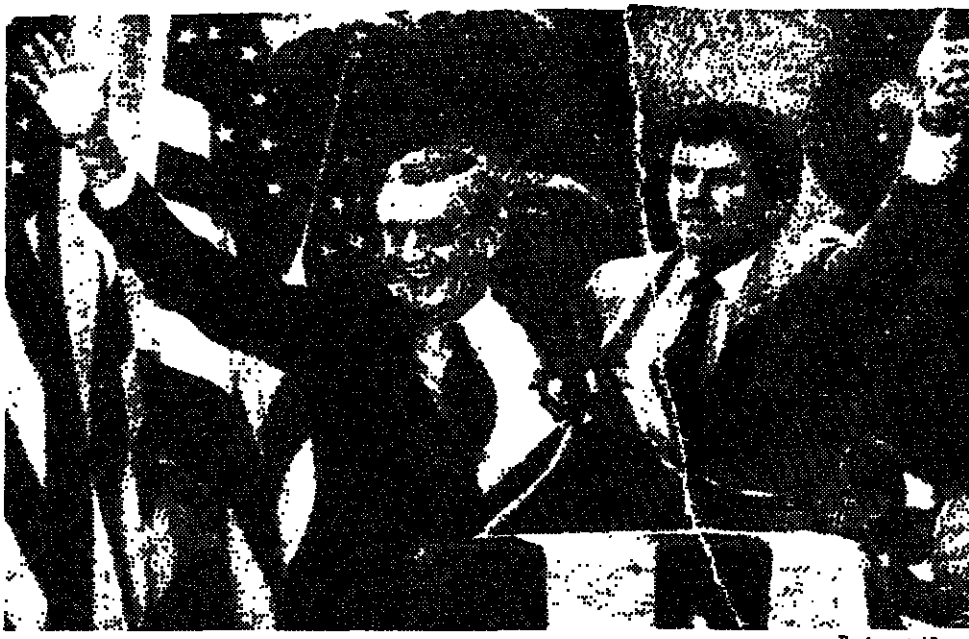
Mr. Reagan's pleas were yet another reflection of the growing confidence of his campaign aides.

They say that with their own opinion polls showing Mr. Reagan ahead of Mr. Mondale by 20 percentage points, he can increasingly afford to try for Republican advances on Capitol Hill. The Republicans now control the Senate, but the Democrats have a majority in the House.

[Mr. Reagan told a gathering of Republican campaign officials at the White House on Tuesday, "I think our meeting today reflects what could be the beginning of a new phenomenon observers have been noticing, that is, if everything turns out right, a historic electoral realignment." The Associated Press reported from Washington.] Despite the confidence embodied in the strategy, Mr. Reagan repeatedly warned Mondale against complacency.

"I've been trying very hard not to read the polls, and don't you read them," he said in Media, Pennsylvania.

"So get out the vote," he added. "Make sure your neighbors get there to vote. Don't anyone say, 'Well, I'm not needed, I'm not necessary, stay home.' I know of elections that were lost by less than half a vote per precinct in this country."



Walter F. Mondale, left, and Senator Gary Hart greet the audience at a rally Monday in Seattle. Mr. Mondale remains confident that he can win next week's presidential election.

## Mondale Defies Polls, Is Confident Of Upset in Campaign's Final Week

By Bernard Weinraub  
New York Times Service

SPOKANE, Washington — As Walter F. Mondale reaches the end of his quest for the presidency, the candidate's mood and campaign are tenaciously upbeat in the face of polls that show a huge lead for President Ronald Reagan.

Mr. Mondale and his closest aides voice confidence that, in the week ahead, the Democratic presidential candidate will spark the biggest political upset since 1948.

Mr. Mondale constantly evokes the name of Harry S. Truman, the 1948 winner. The other day he removed a cigar from his mouth before photographers began snapping. "Truman didn't smoke cigars," he said.

"There's something going on in this country and the polls aren't getting it," Mr. Mondale said in San Francisco on Saturday. "Nobody who's been with me for the last few days and has seen these crowds, seen their response, seen their enthusiasm, seen the intensity of their response and how they respond to these issues, none who's been where I've been can help believe that there's something happening in this country."

Martin Kaplan, a deputy campaign manager and the lead Mr. Mondale speechwriter, said: "In a sense Mondale feels liberated. He's going to spend the week summing up all he's fought for in his career and summing up too, in a prosecutorial sense, his case against Reagan. It will be his final, passionate summation."

"Just look at the way he's been campaigning," Mr. Kaplan continued. "The poll slippage hasn't been

debilitating, hasn't caused torpor in the candidate or shell shock in the staff. There's not a whiff of defeat because there's a conviction that something is happening that the polls aren't registering."

Another Mondale aide said their optimism is based on the "volatility" of the electorate, especially in California, as well as "the fact that the American public tends to focus on the presidential election in the last week."

The last two weeks in the industrial Midwest and the Far West have been marked by Mr. Mondale's most vivid speeches of the campaign, his largest crowds and his most forceful attacks on Mr. Reagan. In his final week, Mr. Mondale's aides said Monday, he will seek to cement his support among wavering Democrats from the Northeast to the Midwest.

With the South virtually written off, the candidate and his running mate, Geraldine A. Ferraro, will focus their campaign, including television advertising, on states crucial to a Democratic upset.

These are Pennsylvania, California, Ohio, Michigan, Illinois and Missouri as well as New York, Minnesota and Massachusetts. If Mr. Mondale shows gains in these states, he will also press hard in New Jersey, Oregon, Washington and Iowa.

On Monday, Mr. Mondale delivered a scathing attack on the administration's human rights policy before a cheering audience of students at Portland State University in Oregon.

"He appointed a UN ambassador who drew a distinction between

our adversaries who torture their people, and some of our so-called friends who torture people," Mr. Mondale told the crowd. "There are two ways America can be defeated, by succumbing to our enemies, or by becoming like our enemies. We must do neither."

At this point, Mr. Mondale is virtually deciding by himself each night what he will discuss the following day. "It's his message now, his campaign, he's controlling it," said Maxine Isaacs, the press secretary. "He's tired, of course, but he's got a lot of energy. The crowds exhilarate him. He's never experienced crowds like this before."

The disruption of the convention illustrated the confusion and bad feelings surrounding the elections. Some conservative opposition groups have charged that a "national dialogue" scheduled to begin Wednesday will be more important than the election itself. Sandinista leaders have accused the CIA of having offered opposition parties up to \$300,000 each to stay out of the race.

The Democratic Conservatives are not the only party having trouble pulling out of the election. El Nuevo Diario, a pro-Sandinista daily newspaper, still is publishing full-page campaign advertisements for another party, the Independent Liberals, even though it voted last week to withdraw from the race.

"We have tried to stop them, and it's been impossible," the Independent Liberals' leader, Virgilio Goody Reyes, said Monday. "It's a mysterious thing."

Mr. Goody, a former minister of labor in the Sandinista government, said that "someone" plastered posters boosting his candidacy on walls and lamp posts in Managua on Saturday, six days after his party had voted to boycott.

He told an opening session Monday of a three-day NASA symposium on future space projects that the Soviet Union seems determined to "establish its sovereignty in deep space and on Mars before the forces of freedom do so."

The United States has said it plans to launch in 1990 an unmanned probe that will travel the 36 million miles (58 million kilometers) to Mars and begin an orbit.

Mr. Schmitt said he based his conclusion on the recent 237-day stay of three cosmonauts in the Salyut 7 space station and Soviet development of a large new rocket.

Mr. Romero locked in a tight race with former Governor Rafael Hernández Colon, leader of the Popular Democrats, events moved very quickly.

Last week, the island's Justice Department filed first-degree murder charges in the Cerro Maravilla case against 10 policemen, including the head of police intelligence for Puerto Rico, and the Senate reopened public hearings, paying a commercial television station to carry the testimony.

Last Wednesday night the only debate between the two front-runners was televised.

In it, the governor defended his administration against charges of corruption and said his program of economic recovery was better than anything offered by his opponent.

Mr. Hernández, who is now favored in the polls, would not let the murder case drop, however. Turning to face Mr. Romero, he demanded: "Why have you spent \$2 million on legal fees to keep the Senate from learning the truth about the Cerro Maravilla case?"

The governor shrugged off the challenge, but in an interview in his office he said that the Cerro Maravilla case had been harmed from the start by his opponents' insistence on exploiting it for political advantage.

This onslaught, he said, led him initially to believe that all the allegations were unfounded.

"The government kept digging in its heels in the face of all the false charges that were made right from the beginning," he acknowledged. He said this had continued until the three policemen changed their testimony last year.

Since then, he contended, he has tried to uncover the truth.

## Party's Vote Disrupted On Nicaragua Boycott

By Robert J. McCartney  
Washington Post Service

MANAGUA — Several dozen teen-agers who shoved their way into a political party's convention room caused the meeting to break up just before delegates were expected to vote to boycott Sunday's nationwide elections.

It was unclear whether the youths who encouraged the demonstration Monday night were members of the party, called the Nicaraguan Democratic Conservative Party. The youths and some party leaders, including the conservative candidate, Clemente Guido, want the party to run.

Rival party leaders, who favor a boycott, said that the youths were "infiltrators" from the ruling Sandinista National Liberation Front. The front wants the conservatives to participate in the elections and thus lend legitimacy to the voting for president, vice president and a 90-member national legislature.

In a ballot early in the afternoon that was described by both sides as a test vote, the faction favoring a boycott won, 86-33.

[After the meeting broke up, members of the party's executive committee attended an emergency meeting Monday night and "agreed unanimously to participate in the elections," Mr. Guido told The Associated Press.

Only nine of the 18 council members attended. Enrique Sotelo Borgen, the party's coordinator and the leader of the party faction favoring the boycott, did not attend.]

The disruption of the convention illustrated the confusion and bad feelings surrounding the elections.

Some conservative opposition groups have charged that a "national dialogue" scheduled to begin Wednesday will be more important than the election itself. Sandinista leaders have accused the CIA of having offered opposition parties up to \$300,000 each to stay out of the race.

The Democratic Conservatives are not the only party having trouble pulling out of the election. El Nuevo Diario, a pro-Sandinista daily newspaper, still is publishing full-page campaign advertisements for another party, the Independent Liberals, even though it voted last week to withdraw from the race.

"We have tried to stop them, and it's been impossible," the Independent Liberals' leader, Virgilio Goody Reyes, said Monday. "It's a mysterious thing."

Mr. Goody, a former minister of labor in the Sandinista government, said that "someone" plastered posters boosting his candidacy on walls and lamp posts in Managua on Saturday, six days after his party had voted to boycott.

He told an opening session Monday of a three-day NASA symposium on future space projects that the Soviet Union seems determined to "establish its sovereignty in deep space and on Mars before the forces of freedom do so."

The United States has said it plans to launch in 1990 an unmanned probe that will travel the 36 million miles (58 million kilometers) to Mars and begin an orbit.

Mr. Schmitt said he based his conclusion on the recent 237-day stay of three cosmonauts in the Salyut 7 space station and Soviet development of a large new rocket.

Mr. Romero locked in a tight race with former Governor Rafael Hernández Colon, leader of the Popular Democrats, events moved very quickly.

Last week, the island's Justice Department filed first-degree murder charges in the Cerro Maravilla case against 10 policemen, including the head of police intelligence for Puerto Rico, and the Senate reopened public hearings, paying a commercial television station to carry the testimony.

Last Wednesday night the only debate between the two front-runners was televised.

In it, the governor defended his administration against charges of corruption and said his program of economic recovery was better than anything offered by his opponent.

Mr. Hernández, who is now favored in the polls, would not let the murder case drop, however. Turning to face Mr. Romero, he demanded: "Why have you spent \$2 million on legal fees to keep the Senate from learning the truth about the Cerro Maravilla case?"

The governor shrugged off the challenge, but in an interview in his office he said that the Cerro Maravilla case had been harmed from the start by his opponents' insistence on exploiting it for political advantage.

This onslaught, he said, led him initially to believe that all the allegations were unfounded.

"The government kept digging in its heels in the face of all the false charges that were made right from the beginning," he acknowledged. He said this had continued until the three policemen changed their testimony last year.

Since then, he contended, he has tried to uncover the truth.



President Ronald Reagan hugged Julie Templin, a student at Millersville State College in Pennsylvania, after she gave him a bouquet of roses. She had received a get-well message from him after having a bone-marrow transplant.

## CAMPAIGN BRIEFS

### State Polls Show Huge Mondale Loss

WASHINGTON (LAT) — If individual state polls are taken as an indication of election results, Walter F. Mondale may be heading for the worst Electoral College defeat since George S. McGovern's loss to Richard M. Nixon in 1972.

Among polls in 42 states, Mr. Mondale was ahead of President Ronald Reagan only in the Democratic nominee's home state of Minnesota, and even there by only six percentage points.

Moreover, the former vice president appears to be running close to Mr. Reagan in only three states: Iowa, where he trailed the president by five points; Pennsylvania, where he was six points behind; and heavily Democratic Rhode Island, where he was four points behind.

In the remainder of the state polls, Mr. Reagan was ahead by a margin of nine to 47 points. In 18 states, including Florida and Michigan, his edge over Mr. Mondale was 20 points or more.

The 42 state polls were taken at various times with differing sample sizes and methods. Polls in eight other states — Georgia, Idaho, Louisiana, Mississippi, Montana, Nevada, South Carolina and Wyoming — were either unavailable or too old to be meaningful. All of those states, however, are in the South and the Rocky Mountain region, and Mr. Reagan was far ahead in the other states in those regions.

### Blacks and Hispanics Face Struggle

WASHINGTON (AP) — Despite the publicity and voter registration generated by the Reverend Jesse L. Jackson's presidential campaign, blacks and Hispanics are struggling to hold their own in Congress this year.

Among 33 blacks running for the House, 19 are incumbents and are expected to keep their seats. Fifteen Hispanic candidates are on the ballot, including nine incumbents expected to win. In southwest Texas, Albert Bustamante, a Democrat, is running unopposed.

Also running are two Japanese-American incumbents, Representatives Robert T. Matsui and Norman Y. Mineta, both Democrats, and a Japanese-American challenger, Echo Goto, a Republican, all of California.

### Reagan-Bush Forces Plan Media Drive

WASHINGTON (LAT) — The Reagan-Bush Campaign Committee, saving its biggest advertising blitz for last, has vowed to "dominate" radio and television campaign advertising in the final week of the race.

In the final two weeks, the Reagan-Bush forces were planning to spend at least \$10 million on advertising — 25 percent of the campaign budget — most of it on television commercials.

In addition, the Republican effort to get out voters will include 14 million telephone calls to voters in 29 targeted states, accompanied by 15 million pieces of direct mail and the mailing of absentee ballot applications to Republican voters in 12 states.

### Feldstein Predicts Reagan Tax Rise

WASHINGTON (AP) — Martin S. Feldstein, the former chief White House economist, predicted Tuesday that President Ronald Reagan would eventually go along with a tax increase as part of a congressional compromise to reduce the enormous U.S. budget deficit.

Mr. Feldstein, who left the administration in July, told a group of savings and loan executives that "it is not possible to have a reliable reduction in future deficits if tax increases are completely precluded from the start."

He said that by the end of the decade there would have to be additional revenues flowing into the government by as much as \$75 billion to \$100 billion annually. He said the best way to raise that money would be through reform of the current tax system rather than just boosting current tax rates.

### Aide Clocks Reagan Press Encounters

WASHINGTON (UPI) — The White House spokesman, Larry Speakes, said Tuesday that President Ronald Reagan has provided the equivalent of eight-and-a-half news conferences during the fall campaign.

Mr. Speakes apparently had recorded every minute that Mr. Reagan has paused to answer a question during the fall race. He said the president has answered questions for a total of four hours and 15 minutes.

He said he was including four interviews Mr. Reagan gave to publications in the past week, as well as questions from reporters while Mr. Reagan was heading for a helicopter, pausing under the wing of his plane or stepping into his limousine during campaign trips.

## Campaign of Puerto Rican Governor Clouded by 6-Year-Old Police Killing

By Jon Nordheimer  
New York Times Service

SAN JUAN, Puerto Rico — For 16 years Carlos Romero Barceló has been the dominant pro-statehood figure in Puerto Rican politics.

But six of his eight years as governor of the commonwealth have been clouded by charges related to the police killing of two radical students. Now the governor faces the toughest election of his political life.

His defeat would almost surely stall the statehood movement in Puerto Rico, experts say.

Mr. Romero's three opponents in the race for governor have hammered away at him on the issue of corruption, with emphasis on the killing of the radical students.

In the summer of 1978 on a mountain named Cerro Maravilla, two advocates of independence from the United States, Carlos Enrique Soto and Arnaldo Dario Rosado, were shot to death.

According to police, they were caught in a stakeout while preparing to sabotage a commercial television transmitting tower. The police said they were shot and killed after they opened fire on the officers lying in wait for them.

Events since then have centered on a prolonged struggle between the Senate, which is controlled by the opposition Popular Democratic Party, and the governor, leading the press to compare the case to the Watergate scandal.

Although both sides said an inquiry by a special prosecutor was warranted, they could not agree on the scope or the powers the prosecutor would hold. The governor also went to court to resist Senate subpoenas that sought to force him to turn confidential papers over to

the police were praised as heroes by the governor and other parts of acts of terrorism. But leftists asserted almost from the beginning that the young men had been ambushed in a police trap to make a strong show of force against radicals.

That assertion was stoutly repudiated by Mr. Romero and dismissed after investigations by the Commonwealth Justice Department and the Federal Bureau of Investigation.

But in testimony before a Puerto Rican Senate committee last year, three policemen said the two young men had been executed by their captors after having been disarmed.

Events since then have centered on a prolonged struggle between the Senate, which is controlled by the opposition Popular Democratic Party, and the governor, leading the press to compare the case to the Watergate scandal.

Although both sides said an inquiry by a special prosecutor was warranted, they could not agree on the scope or the powers the prosecutor would hold. The governor also went to court to resist Senate subpoenas that sought to force him to turn confidential papers over to

Senate investigators looking into a possible cover-up.

As the campaign progressed with Mr. Romero locked in a tight race with former Governor Rafael Hernández Colon, leader of the Popular Democrats, events moved very quickly.

Last week, the island's Justice Department filed first-degree murder charges in the Cerro Maravilla case against 10 policemen, including the head of police intelligence for Puerto Rico, and the Senate reopened public hearings, paying a commercial television station to carry the testimony.

Last Wednesday night the only debate between the two front-runners was televised.

In it, the governor defended his administration against charges of corruption and said his program of economic recovery was better than anything offered by his opponent.

Mr. Hernández, who is now favored in the polls, would not let the murder case drop, however. Turning to face Mr. Romero, he demanded: "Why have you spent \$2 million on legal fees to keep the Senate from learning the truth about the Cerro Maravilla case?"

The governor shrugged off the challenge, but in an interview in his office he said that the Cerro Maravilla case had been harmed from the start by his opponents' insistence on exploiting it for political advantage.

This onslaught, he said, led him initially to believe that all the allegations were unfounded.

"The government kept digging in its heels in the face of all the false charges that were made right from the beginning," he acknowledged. He said this had continued until the three policemen changed their testimony last year.

Since then, he contended, he has tried to uncover the truth.

## Baby With Baboon Heart Removed From Critical List

New York Times Service

LOMA LINDA, California — Doctors removed Baby Face's name from the critical list Monday, three days after she was given a baboon's heart.

The doctors said the 17-day-old infant was breathing easily without the aid of the mechanical respirator to which she had been attached for almost a week. The child's full name has not been disclosed and her parents have requested anonymity for themselves.

The baby was scheduled to be eating normal food Tuesday, according to a spokesman at Loma Linda University Medical Center, where the five-hour operation was done.

Meanwhile, Dr. Leonard L. Bailey, who headed the team that performed the operation, revealed that the doctors had not tried to find a human heart for Baby Face before resorting to using an animal's.

Dr. Bailey said, "Our entire research endeavor has been aimed at transplanting animal hearts in humans. The availability of size-

**SKY CHANNEL**

BROADCASTING TO CABLE COMPANIES IN EUROPE & THE UK VIA SATELLITE

PROGRAM, WEDNESDAY 31st OCTOBER

UK TIMES	15.00	SKY MUSIC BOX
	16.00	SKY MUSIC BOX PREMIERE
	17.00	SKY-71 MUSIC
	18.00	GREEN ACRES
	19.30	THE BRADY BUNCH
	20.00	THE MAGICIAN
	21.30	ILLUSIONS
	22.30	INTERNATIONAL MOTOR SPORTS
		SKY MUSIC BOX

CONTACT SKY CHANNEL, SATELLITE TELEVISION PLC FOR FURTHER INFORMATION  
TELEPHONE LONDON (01) 636 4077 TELEFAX 266943

**Johnnie Walker Red Label**

Since 1820. Recognised for good taste throughout the world.

A VIN VAI FERGUSONS LTD, SCOTCH WHISKY DISTILLERS, KILMARNOCK, SCOTLAND

You'll always be recognised by your taste in Scotch.



# INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

## For Joint Effort in 1985

Present settings of macroeconomic policy — the way our governments design budgets and monetary conditions — bring no relief from unemployment so far as the forecasters' eye can reach. Unemployment will even get marginally worse over the coming year. Demand and output are rising too slowly to provide work for a growing labor force whose productivity is also growing.

Such strength of demand as there has been in the last year or so has come mainly from the American recovery, which is now likely to slow down without being replaced by stronger growth elsewhere.

Should the industrialized world accept this bleak prospect indefinitely, with all it implies for social and political conditions at home and in the Third World?

For several years now policies have mainly been designed to wring inflation out of the system and allow more scope for the market economy to operate free from government interference. The alternative would have been to let the world economy sink into even greater torpor under the weight of all the uncertainties that inflation and intervention from on high impose. Most Western countries rejected that alternative, and those that disagreed soon changed their minds.

Perhaps the West should now look again at its economic strategies, in the light of the prospects before us. Should we continue to rely on an unchanged mixture of tight money and budgets, confident that, once inflation has been mastered, activity will automatically turn up by some special force of self-levitation? Or should the Western countries start thinking about the possible role of monetary and budget policy as more positive instruments for supporting demand?

Fashionable opinion today is to resort to discretionary policies — the moder-

ately flexible use of the budgetary and monetary levers — to influence economic trends. According to this view — of which Nigel Lawson, Britain's chancellor of the Exchequer, is a lucid advocate — such policies only raise inflation. Indeed discretionary policy to encourage growth has been ill-applied in the past, with harmful results. But it is not proved that it is harmful when inflation is low. Recent American experience shows that expansionary budget policy can boost the economy enormously without rekindling inflation. It is not clear that Europe is so different as to make the weapon inevitably injurious. Governments do have to learn from mistakes in economic management, but this learning process should not lead them into withdrawal symptoms.

We do not ask governments to pump up money income to an extent that simply serves to revive wage and price pressure and to shake business confidence further. We suggest that they start thinking carefully about how to stop unemployment from rising inexorably beyond the end of 1985.

We may well need an internationally coordinated program. Its goals should not be extravagant — perhaps not much more than trying to replace fading American recovery with an equivalent rise in demand elsewhere. The program would need to be carefully coordinated between governments, otherwise the dosage would risk being too heavy. It would have to be based on a rigorous examination of the prospects.

All this takes time, so it is not too early to begin contingency planning. Discussions running through the coming winter could prepare important action next spring, as the seven-nation economic summit approaches. It is time the discussion started.

INTERNATIONAL HERALD TRIBUNE

## Agca, Moscow, the West

It may take months before an Italian court tries three Bulgarians and four Turks now charged with plotting to kill the pope, but the existence of a plot no longer seems conjectural. A wealth of detail suggests that Mehmet Ali Agca did not act alone, as he first claimed, when he shot the pope in May 1981. Harjo Martella, an Italian magistrate known for his caution, formally charges that the accomplices included Bulgarian officials as well as Turkish terrorists. The charge translates into a crime of state bearing Soviet fingerprints.

The evidence, of course, needs to be cross-examined in open court. But Soviet denial of the three-year investigation as a CIA defamatory exercise is nonsense. Indeed, the Central Intelligence Agency was most skeptical of any state involvement even as the Italians' evidence of a Bulgarian connection was persuading journalists. Far from rushing to judgment, Western governments, led by the Reagan administration, have recoiled from the devastating implication that Bulgaria's agents were bound to have acted only on a signal from Moscow.

Judge Martella well understands that the case for such complexity rests on the testimony of a proven liar, Mr. Agca repeatedly switched stories. He claimed knowledge of a Bulgarian plot to kill Pope John Paul II, the Solidarity leader visited Rome, then disavowed it. Yet his accounts of meetings with Bulgarian officials are verifiable in important details; so is his claim that after shooting the pope he was to

escape in a sealed Bulgarian truck. Nor was he confessing fables when he said that a second Turkish gunman, Oral Celik, was present in St. Peter's Square. That the right-wing Turkish gang known as the Gray Wolves were the chosen instrument for this deed is now certain.

Chosen by whom? The evidence of Bulgaria's involvement is circumstantial but credible. Sofia's complicity with Turkish drug and gun smugglers is known. The Bulgarian émigré George Markov was murdered in London in 1978 to silence such warnings as "In the streets of Sofia you can meet Comrade Caligula, followed at a respectable distance by Comrade Talleyrand and Fouché" (Joseph Fouché organized Napoleon's political police).

Bulgarian guilt is thinkable. What seems unthinkable is that its Caligulas would have raised a hand against the pope or against that other Polish troublemaker, Mr. Walesa, without Soviet agents wanting it done. If Italian courts sustain the case against the Bulgarians, that further connection will have to be faced.

What might then be done is no easy question. The first thing, in preparation, is to make doubly sure that the United States itself no longer practices or incites others to practice political terror and assassination. The second thing is to invite other Western nations to join in the already lively American debate about how to react to state terror. It is a challenge that cries out for a collective response.

— THE NEW YORK TIMES

## A Brutal Reply to Tutu

A South African government that wished to could have made much of the award of the Nobel Peace Prize to Bishop Desmond Tutu, a black champion of equal rights. Ideally it would have identified itself with his longing for a decisive turn away from the racist apartheid system. Without undue strain, it could have expressed favor for his personal qualities of compassion, justice and peacefulness. At the least it could have made sure that for a decent interval it would do nothing to heighten the contrast between Bishop Tutu's standards of public discourse and its own.

South Africa did none of that. It sent a 7,000-strong force into three black townships south of Johannesburg to look, ostensibly, for subversives, security threats and revolutionaries. Armed balances ransacked the homes and disrupted the lives of nearly a quarter of a million people and found only a few hundred suspected pass-law violators and petty criminals. Not one security arrest was announced, but perhaps that is beside the authorities' evident point: to demonstrate that, Nobel Prize notwithstanding, outsiders cannot tell the masters of apartheid how to run their domain.

What is also demonstrated is the poor political and historical judgment underlying South African police rule. If there were a Nobel Political Boorishness Award, South Africa would long ago have retired the trophy. It is not simply that its timing is bad; its understanding of its own dilemma is bad. Bishop Tutu is among those blacks — Gatscha Buthelesi is another (he comments on this page today) — who are ready and able to speak for their people if the white leadership had the sense to open a dialogue. For it can only be through people such as the bishop and the Zulu tribal chief that white South Africans can ensure a place in the country they share. But the ruling whites rely on force and slap down the hand that reasonable non-white leaders extend.

The United States abstained on Oct. 23 in the Security Council's otherwise unanimous condemnation of these raids. The Reagan administration does not yet have a clear view in which to make it plain that in applying its theory it is not simply coddling racism. This is a grievous defect in the policy of any nation that claims to speak for freedom.

— THE WASHINGTON POST

## FROM OUR OCT. 31 PAGES, 75 AND 50 YEARS AGO

### 1909: Signs of Disorder in Greece

PARIS — If the meager despatches from Athens are to be believed, the naval revolt in Greece has been nipped in the bud. The rebel officers who had seized the arsenal and the torpedo flotilla took flight while the crews made their submission. Four of the officers were arrested. The ringleader, Captain Tylados, is still at large. The members of the Military League met at the house of the President, Colonel Zervas, and renewed their oath of fidelity to the King, the Constitution and the legal Government of the country. The state of affairs revealed by recent events proves the existence of a condition of national demoralization not far removed from anarchy.

### 1934: Police Face Student Radicals

LOS ANGELES — The riot squad of this city's police department was rushed to the campus of the University of California when 2,000 students gathered in a threatening group outside the administrative offices, in which five students, suspended for an alleged plot to "turn the university over to Communism," were being given a hearing. When the police arrived, the milling students dispersed peacefully, singing the Alma Mater. University Provost E.C. Moore said the Radical students had persisted in maintaining an open forum in the face of faculty objections, attempting "to destroy the university by handing it over to an organized group of Communist students."

## A German Reason for Détente

By Flora Lewis

BERLIN — All the talk once again is of "the German problem." The phrase has a special meaning, not relating to the whole paucity of issues that we try people here but to only one: the future of relations between East and West Germany.

Other German code words for this extraordinarily sensitive question include "identity," which means the legitimacy of a sense of German nationhood, or "sovereignty," which means Bonn's involvement with the East. The straightforward word, "reunification," is usually rejected as too precise, too obviously an impossible dream that would provoke a rude awakening.

Only six or seven years ago many people were saying that the dream was dead. They thought the Germans had settled down to living in two states belonging to hostile blocs, each busy with its own affairs.

That was never really true. Now the subject has resurfaced with a new emotional intensity. But to call it a gathering drive toward neutralism or resentful nationalism is not quite true either.

The feelings are deeply ambiguous. Attempts to translate the ambiguities with precision and clarity are bound to fail. But the feelings are there, gnawing at truncated West Germany, particularly but not exclusively among the newly adult generation.

Disappointment that the East German leader, Erich Honecker, abruptly put off his scheduled visit to West Germany last month sharpened the concern. But Mr. Honecker has insisted that the trip was only postponed, not canceled, and Bonn has received assurances that lower-level exchanges will continue.

Actually, the only dramatic development was Moscow's remarkably public show of firm disapproval for too cordial ties between the two Germanys. It has provoked some strange reactions among leading West Germans who should know better, and soul-searching that reveals frustration and a flight from realism.

At a limp, far-from-successful anti-missile demonstration the weekend before last, Oskar Lafontaine called for withdrawal of West German armed forces from NATO's integrated command — although, as with France, not from the political alliance. Mr. Lafontaine is the charismatic, rising Social Democratic leader in the Saarland, on the French border. He has great appeal for young voters and is a favorite of

Willy Brandt, the aging leader of the Social Democratic Party and former chancellor.

While France and now Spain manage to keep a certain distance from America's military primacy in the alliance with the non-integration formula, no alert politician can imagine that it would be possible for West Germany. Whatever the Western response, and almost surely it would include departure of U.S. troops from West Germany, there would certainly be an explosion of fury from Moscow. The last thing it would tolerate would be a strong, national German army allied to the United States but not under its command.

But youth who don't consider the consequences think Mr. Lafontaine's notion would mean "greater independence." No one has explained to them how impossible provocative it is. They speak of a desire to be "more German," supposing it would enhance chances for peace. They cannot say what they would want their country to do that it cannot do in NATO. They take the most extravagant of President Reagan's words seriously and claim that their country would look better dissociated from U.S. "adventurism."

These people are not making policy. But they are making opinion, at a time when revisionism is spreading against all the politicians in Bonn. "We are getting it now from the left and from the right," said a moderate member of the legislature. "The left talks about some kind of romantic cooperation with East Germany and the right talks about restoring Germany."

Ironically, the East Germans, whose society exists under strict Soviet constraints, do not seem to feel the same psychological burden on their nationality. They consider themselves vastly superior to their Russian allies in all but brute power, which they endure. But a number of West Germans complain of being "too Americanized," and they seem to feel inferior.

The hard fact is that the division of Germany and Europe can at best be eased with greater contacts and small accords; it cannot be overcome in foreseeable circumstances. But the frustrations and dangerous illusions that nourish among Germans are also hard facts. The interest of other countries in East and West, including the Soviet Union and America, is to move back toward détente so as to relieve these pressures.

The New York Times

## The Democrats Lack a Regional Base

By Michael Barone

WASHINGTON — Going into the last week of the campaign, Ronald Reagan has just a little over 50 percent of the vote in several national polls. That should mean that Walter Mondale has a chance for a breakthrough — but he has a problem: he is not leading, so far as the polls disclose, in a single state.

The fact that Mr. Mondale's base is still missing after two credible debate performances points up a durable problem for Democratic presidential candidates. A party with no base has to scurry pretty furiously to win, with very little margin for error. So it is important to understand what has happened to the base of the past.

The "Solid South." That has been missing a long time. The last time the South voted solidly for a Democrat was in 1944. Democrats lost their near-monopoly on the white Southern vote when they supported civil rights in the 1960s; for a while they lost the white Southern vote altogether. Jimmy Carter got a lot of it back, but not a majority, not even in 1976.

Race is no longer the issue that keeps white Southerners voting Republican in presidential contests. Economics does. Southern whites are increasingly affluent and out of sympathy with high taxes and government programs for the poor. And they have attitudes on cultural issues (traditional) and foreign policy (hawkish) that predispose them against national Democrats.

Mr. Mondale will get some white Southern votes, but there is no prospect for a solid Democratic South. The industrial belt. The decaying of the Democratic coalition in the industrial belt from New York through New Jersey, Pennsylvania, Ohio, Illinois and Missouri is an old story. Ethnic minorities have long since moved socially upward and politically to the right; there are fewer union members and blue-collar workers; no one gets his Christmas turkey from a political machine any longer.

There are not enough people left in big cities to deliver the "traditional" majorities registered most recently in 1960 and 1964. These states were among those most closely contested by Franklin Roosevelt and the Republicans in the 1940s, but they are not going to be a safe Democratic base any more soon.

The McGovern eight. The eight states in which George McGovern did best in 1972 run along the West Coast — Massachusetts, Rhode Island, Michigan, Wisconsin, Minnesota, South Dakota, Oregon and California. None was a traditional post-Civil War Democratic state; there was no overlap with the South or the industrial belt. High-income, well-educated, high-tech states, dovish on foreign policy and liberal on economics, they looked like candidates for a new Democratic base. Mr. Mondale has been running close to Mr. Reagan in all but South Dakota, but he still seems to be behind in each.

One reason is that economic issues have turned against the Democrats there. Massachusetts, Michigan, Minnesota, Wisconsin and California all had tax-cut movements — and saw their local economies improve as a result. (Ironically, the big spenders there were Republican governors in the early 1970s, including, yes, Ronald Reagan in California.) State and federal tax cuts have in turn stimulated the high-tech industries that are so visible, especially, in California and Massachusetts.

A dozen years ago highly educated electorates saw the Vietnam War and environmental degradation as threats to their future, and looked to government to tame them. Today they increasingly see high tech and computers as the promise of the future and look to private capital formation to provide them. A Democratic Party bent on subsidizing jobs in the auto and steel industries is a threat to this future; a Republican Party bent on leaving capital in the hands of investors is what they want — and they are willing to overlook the rantings of the Moral Majority to get it.

Mr. Mondale's most recent ad attacking the Reagan "Star Wars" nuclear defense initiative is the Democrats' problems. You see a picture of Earth taken from space, and then whirling computers and blinking lights, with an ominous voice warning of the danger of war. An unspoken assumption of this ad is that high-tech machinery is scary and ominous. But to whom? Republican strategists believe that Mr. Reagan's argument in the Kansas City debate

that this new technology can prevent nuclear destruction may prove palatable to many of those voters who see the computer as their friend.

A dozen years ago, among educated Americans, new technology seemed frightening; it brought death in war and destruction of the environment. Now, in a time of peace and a nation that has cleaned up its air and water, new technology seems more friendly and promising.

The Democrats have failed to capture the imagination of the educated people who, in contrast to those of a dozen years ago, believe that science, technology, free enterprise and America are good things.

So in the final campaign weeks neither the McGovern eight nor the industrial belt nor the South provides a comfortable base for Mr. Mondale — a bloc of electoral votes to balance those Mr. Reagan has in the Rocky Mountains, the Great Plains and the fastest-growing states in the South (Florida, Texas, Virginia).

## A Black Way in South Africa

By Gatscha Buthelesi

The writer is the Zulu chief and leader of Inkatha, the largest black South African organization.

ULUNDI, South Africa — Black South Africans, like people the world over, struggle with fortitude against adverse circumstances until a sense of hopelessness, a prospect of suffering stretching indefinitely into the future arouses their anger. Angry behavior becomes irrational, and when people have little to lose they may risk much in angry outbursts.

If outsiders are concerned about injustice in South Africa, if they are concerned about encouraging democracy here and about South Africa's ability to put its house in order so it can become a source of stability and development for this whole subcontinent, they should recognize that they need to support black leaders and organizations that aim to give people something constructive to do, that not only alleviate immediate suffering but mobilize forces working toward building up the black position at the negotiating table.

Outsiders need to be aware of the danger of supporting only protest politics, which arouse anger but do not direct it toward achievable goals. I believe that the U.S. State Department has yet to realize that "constructive engagement" in South Africa means more than dealing with the South African government as a recognized government while also visibly identifying with protest politics in some kind of foreign policy balancing act.

During the 1976-78 period of unrest in South Africa, the media in North America and Europe hailed the violence as a real threat to the status quo, and they applauded protest leaders in the forefront of the violence in black urban areas. What was in fact a predictable eruption in an ongoing volatile situation was seen as a change in the course of events in the country. Those blacks who claimed that apartheid was on the run and the government would soon be toppled were believed, and a great deal of moral support and aid worth millions of dollars flowed into South Africa from North American and European sources.

History has now shown that those hopes were misplaced and that the eruption of violence in 1976-78 caused hardly a hiccup in government programs meant to further entrench apartheid and strengthen the National Party's grasp on the country.

Even at the height of the 1976-78 disturbances, and again now, there is no evidence whatever that black township anger can spill across apartheid's black-white boundaries and affect those who enjoy the benefits of apartheid. On no occasion then or now have white neighborhoods been threatened; on no occasion then or now have calls for boycotts and work stoppages, which always accompany eruptions of violence, had any material effect on white well-being or on the economy. Black anger then and now feeds upon itself and draws blacks into black-vs.-black confrontations more than it threatens the status quo.

Serious analysis of the situation must come to terms with the fact that the government is strong enough, and white South Africa is protected enough, to enable the status quo to withstand onslaught after onslaught of the kind I am discussing, without entertaining any serious need to capitulate to black demands.

Violent confrontations are not geared to bringing the government to the negotiating table. They are geared to reducing the country to an ungovernable condition and to bringing about the downfall of the National Party in circumstances that would lead to the formation of a government for the majority.

However justified that goal is, and whatever rights the majority, who happen to be black, do have to fight the government, history has by now taught us that violence that can be contained by measures involving nothing more than mobilization of the ordinary police force does not really threaten the status quo and perhaps only acts as a safety valve for apartheid.

ANDREW HAINES, London.

## The European Economy: Tortoise Beating Hare?

By Michael Emerson

The writer is director for macroeconomic analysis at the EC Commission's Directorate-General for Economic and Financial Affairs. He expresses himself here in a personal capacity. This is the first of two articles.

BRUSSELS — The European Community is making painfully slow progress in its recovery from the 1980-82 recession, which was primarily caused by the sectoral oil shock and the international repercussions of U.S. financial policies. In 1984 the growth of EC production is expected to be a useful but modest 2.2 percent, which contrasts with a spectacular 6 percent or more in the United States. The EC Commission expects a similar moderate EC growth rate of 2.1 percent next year, while the United States is expected to return to something more like a trend growth rate of 3 percent. Employment continues to stagnate in Europe, whereas it has been growing fast in the United States.

Why are these short-run experiences so different? Does the slower and steadier European business cycle cover underlying changes in economic policy? Is there an element of the parable of the tortoise and the hare in the EC-United States comparison? The full reply to these questions will be seen only with the passage of time. But three incontrovertible facts must in large measure explain the difference in short-run performances.

● The United States has had a definitely expansionary fiscal policy, whereas Europe has on the whole opted for reducing budget deficits now rather than at some distant and uncertain point in the future. This has boosted output in the short run in the United States and been contractionary in Europe. The long-run story may well be different.

● The United States has let its exchange rate float up to a very high level, under the influence of high interest rates, which in turn have been largely driven up by the budget deficit. Europe has been a reluctant partner in this, decomposing its interest rates as far as possible, with the ECU's exchange rate depreciating as a result. These exchange rate movements have had the effect of redistributing world inflation, helping the United States to grow faster and by the same token slowing progress in reduction of inflation in Europe.

● The very striking contrast in employment performance comes from a combination of long- and short-run trends. For two decades now the United States has been adding an average 2 percent per year to its total number of persons employed, whereas the EC average has hardly increased at all. These long-run trends have also been manifest in increasing investment in Europe for "capital deepening" and labor-saving purposes, whereas this has not been evident in America. In addition the short-run propensity of firms to take on extra employees when the business cycle improves is much higher in

the United States than in Europe. Each extra percentage point of total U.S. production tends to generate 0.75 percent more jobs, compared to 0.4 percent in the EC.

These three major facts lead us to consider underlying questions at the European end of the comparisons. Why did Europe choose stricter budgetary policies? How has Europe responded to the problems caused by the dollar's appreciation? Why has the employment record in Europe been so disappointing, and what is Europe doing about it? Do the answers to these questions add up to a coherent economic policy?

Budgetary strategy has two major components: the size of the public sector (tax and expenditure levels) and the size of the budget deficit.

Public expenditure and taxation have grown inexorably in the past 25 years, now averaging 52 percent of gross domestic product for public expenditure in the EC — way above 37 percent in America and 34 percent in Japan. The conclusion has been widely drawn that this public-sector growth trend was part of the reason for the European economy's progressively stagnating growth.

It now seems that 1984 will prove in fact to be a historical turning point: the year in which public expenditure was constrained to grow less fast than gross domestic product. The idea that tax cuts are now required as a long-run supply-side measure of economic reform rather than for short-term demand stimulation, has also become common ground across the political spectrum.

Several governments have their strategies targeted on tax cuts. The British government, in its 1984-85 budget, cut payroll and corporate income taxes (the latter announced in advance for four successive years). The West German government has just announced personal income tax cuts worth more than 1 percent of GDP to take effect in 1986-88. The French government has set itself the objective of reducing the tax and public expenditure burden by 1 percent of GDP in 1985.

A key point about all these cases is that the governments first took steps to master the budget deficit and public debt trend, and then to embark on tax cuts only in conditions that would not imperil this "consolidation" effort, to use the current German phraseology. Great care is being taken to assure the internal coherence of budgetary and monetary policies. This contrasts with U.S. budgetary policy. While the United States is reaping dramatic output gains at present, the European judgment has been that Europe's steadier and sustainable financial policies will pay dividends over a period of years.

International Herald Tribune



## LETTERS TO THE EDITOR

### Europeans and Reagan

Regarding the opinion column "Why Once-Leery Europeans Are Pulling for Reagan" (Oct. 24):

Mr. Harrison has my vote and support, but I feel it important to point out to readers of Michael Harrison's column that, while governments may want to see Mr. Reagan re-elected, support for him among ordinary Europeans is far from strong. There is genuine fear that his economic and foreign policies are bad for Europe. His support is heavily concentrated in the upper social strata, which constitute a minority.

PETER RENE AMREIN, Munich.

Mr. Harrison, in a litany of unsubstantiated impressions, suggests that Europeans await a Reagan re-election with some enthusiasm. However, I was unable to find any objective evidence in his column to sustain his

conclusions. If there is a more positive attitude among Europeans toward a second Reagan term (which is very debatable), it may reflect a certain resignation to what to many people appears inevitable.

I cannot claim to speak for European public opinion, but there is certainly profound disquiet across a broad political spectrum in many West European countries about Mr. Reagan's arms control policies. In Britain, opinion polls suggest that public opposition to cruise missiles has increased since deployment. And there is evidence that around 80 percent of the British public support the concept of a nuclear freeze.

The study of international relations may not be an exact science but surely academics have some responsibility to back up their opinions with supporting data. Otherwise they lose their credibility.

ANDREW HAINES, London.

## INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER  
Co-Chairmen

LEE W. HUEBNER, Publisher

PHILIP M. FOISIE, Executive Editor  
WALTER WELLS, Editor  
ROBERT K. MCCABE, Deputy Editor  
SAMUEL ABT, Deputy Editor  
CARL GEWIRTZ, Associate Editor

RENE BONDY, Deputy Publisher

ALAIN LECOUR, Associate Publisher

RICHARD H. MORGAN, Associate Publisher

STEPHAN W. CONAWAY, Director of Operations

FRANÇOIS DESMAISONS, Director of Circulation

ROLF D. KRANEPUHL, Director of Advertising Sales

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Telephone: 747-1265. Telex: 612718 (Herald). Cable: Herald Paris.

Directeur de la publication: Walter N. Thayer.  
42nd Headquarters, 24-34 Hennessey Rd., Hong Kong. Tel. 285618. Telex 61170.  
Managing Dir. U.K.: Robin Mackenzie, 63 Long Lane, London W.C.2. Tel. 030-6002. Telex 262009.  
S.A. au capital de 1.200.000 F. RCS Nanterre B 73201126. Commission Paritaire No. 61337.  
U.S. subscription: \$280 yearly. Second-class postage paid at Long Island City, N.Y. 11101.  
© 1984, International Herald Tribune. All rights reserved.



## 'Lebanese Miracle' Fizzles Out As Currency, Economy Falter

By Julian Nundy

*International Herald Tribune*  
BEIRUT — Janil is an out-of-work terrorist. He has had to close down his operations in both East and West Beirut.

The reason? The supplier of TNT and hexogen that he needs for his truck bombs is insisting on payment in dollars.

This story, an untrue story, was told by a humorist in a Lebanese daily. It underlines a major concern of the Lebanese these days: the fall in the value of their currency.

Even Islamic Jihad, the country's most feared terrorist group, is in on the act.

In a phone call to Agence France-Presse last week, Islamic Jihad said it had a list of members of the "dollar mafia," people speculating on the money markets, and would kill them if they did not stop within 48 hours.

At the time, the Lebanese pound was trading at nine to the U.S.

dollar. By the end of the week, aided by a general decline in the dollar, the pound stood at 7.55.

Ten years ago, the U.S. currency was sold for around 220 Lebanese pounds. And, while Lebanon is far from alone in seeing its money drop against the dollar, many economists are agreed that the world-

### REPORTER'S NOTEBOOK

wide rise in the dollar is only a fraction of the problem.

After civil war broke out in Lebanon in 1975, foreign economists were astounded by the ability of the Lebanese to keep their economy buoyant while their country was devastated by the conflict.

The phenomenon was dubbed "the Lebanese miracle" and Lebanese spoke with pride of the resilience which helped them keep their businesses afloat.

Now, however, there is general agreement that the miracle is over.

"The Lebanese miracle has gone into reverse," said one prominent Beirut economist. "For the first time, people's economic livelihood is being threatened."

"In the past, they were able to retain some optimism," the economist said. "In 1976, the arrival of the Syrian Army was going to bring peace. In 1982, the Israeli invasion was going to restore security. Now, they just see violence and lawlessness and have no more hope."

The lawlessness has increased the hazards of life in leftist-controlled West Beirut. Kidnappings are increasing.

Last Friday, two cars raced down Hanna street, once the busiest shopping thoroughfare in the Middle East. In the front car, witnesses said, gunmen were holding a kidnap victim. The second car was attempting a rescue.

One abduction that particularly upset the foreign community last week was the 30-hour detention of four Lebanese employees of The Associated Press news agency. After their release, the four, none of whom is a journalist, said they did not believe their abduction was politically motivated.

A number of U.S. diplomatic employees had been evacuated from Beirut for fear of a new attack on U.S. interests in Lebanon. And shortly after the abduction last week, the State Department in Washington said U.S. residents in Beirut, even those not in official positions, had become targets.

There is speculation that Islamic Jihad, which has claimed responsibility for two bombings of the U.S. Embassy and the deaths of nearly 300 U.S. and French servicemen in twin suicide bombings in October last year, now aims to influence the U.S. presidential election.

"The Americans are seething over Islamic Jihad," said one Arab political commentator who recently returned from the United States. "I am sure they are planning retaliation but they won't do that until the election is over."



**FATAL BLAST** — Indonesian Marines remove an unexploded bomb from the area near an ammunition warehouse in Jakarta where explosion Monday night killed 13 people. Officials were investigating the cause of a fire that touched off the explosion.

## Indian Bid to Prosecute AP Newsman Stirs Protests Over Freedom of Press

By William K. Stevens

*New York Times Service*

NEW DELHI — An effort to prosecute an Associated Press reporter here has set off protests by representatives of Western news organizations, some of whom see the case as a gross violation of the principle of freedom of the press, a principle officially subscribed to by the Indian government.

The reporter, Brahmas Chellaney, a 27-year-old Indian national, surrendered voluntarily to a magistrate Oct. 19 on charges that he falsely reported certain facts about the Indian Army raid on the Golden Temple in Amritsar in June, and that his reports inflamed sectarian passions.

Mr. Chellaney, who on surrendering was temporarily relieved of

the obligation to turn himself over to police and was released on bail, could be imprisoned for up to six years if convicted.

The charges were lodged in Punjab where certain legal rights were suspended last summer by the Indian Parliament, after the army moved into the state to combat Sikh terrorists there. Under what is called the Terrorist-Affected Areas Act, which was to apply to terrorists, suspects are to be tried in camera unless the prosecutor seeks an open trial.

India's Supreme Court agreed Tuesday to hear a motion by Mr. Chellaney challenging the constitutional validity of the anti-terrorist law and censorship rules in Punjab.

A five-member constitution bench, headed by the chief justice, Yeshwant Vishnu Chandrachud, fixed a hearing for next Tuesday.

The anti-terrorist law makes what Victoria Graham, bureau chief here for The Associated Press, calls a "disturbing amendment" of the rules of evidence. It assumes that the accused is guilty and must prove his innocence.

Mr. Chellaney also said he is afraid that if he is put in the custody of the Punjab police, he will be physically mistreated, even tortured, to make him reveal the sources of stories he wrote in June.

Because no foreigners are allowed into Punjab, the progress of

Mr. Chellaney's case would not be subject to scrutiny by foreign press representatives.

The charges against Mr. Chellaney stemmed from a report he sent to his agency in June, describing the aftermath of the raid on the Golden Temple, the Sikhs' most venerated shrine, in Amritsar on June 5 and 6. The government said about 600 people were killed in the battle between the army and Sikh terrorists, but a number of other sources put that figure at around 1,000.

Foreign reporters were barred from Punjab, then as now. Mr. Chellaney said he made his way to Amritsar just before the temple raid.

The government had cut off communications with the state, but he sent his report June 12 by driving to Simla, the capital of the neighboring state of Himachal Pradesh. In the report, he quoted police and army sources he did not identify as saying that as many as 1,200 people were killed in the battle. He also quoted police and medical sources as saying that several Sikhs had been found shot to death with their hands tied behind them.

The same information was reported independently in some Indian publications. The Associated Press has stood by its report. A government spokesman recently called it "totally baseless and false."

## Soviet Industrial Spying In Bonn Said to Increase

By William Drozdiak

*Washington Post Staff Writer*

BONN — Western intelligence officials believe the Soviet Union has greatly accelerated its industrial espionage efforts in West Germany as part of an expanded campaign to bridge the technology gap with the West.

The emphasis on stealing industrial secrets in West Germany has become so pronounced that, in terms of money and manpower, it has assumed greater priority for the Soviet Union than more "classic" goals such as infiltrating government ministries, officials said.

The anxiety among Western allies over the extent of industrial spying here has intensified since the arrest last month of Manfred Rotsch, 60, an aircraft engineer and planning manager for Messerschmitt-Bölkow-Blohm GmbH, West Germany's top aerospace company.

Mr. Rotsch is accused of passing to the Russians critical information about European aircraft programs, including the Tornado fighter plane built by West Germany, Britain and Italy. It is feared that Mr. Rotsch may have conveyed plans so vital that the Tornado's effectiveness may be jeopardized.

After initial interrogations, West German officials reportedly have concluded that the Rotsch case could represent the most harmful flow of industrial secrets from here since World War II.

Some intelligence officials are convinced that, because of the kind of information compromised, the Rotsch case surpasses in importance that of Gunter Guillaume, a close adviser to the then-chancellor, Willy Brandt, and whose unmasking as a spy caused Mr. Brandt to resign in 1974.

"The damage done to our country through this treason is irreparable and its dimensions have still not been fully assessed," declared Carl Dieter Spranger, state secretary in the Interior Ministry, in a speech Oct. 22.

Mr. Spranger asserted that Mr. Rotsch's revelations had proved "with frightful significance" how the East bloc was engaged in massive and systematic espionage in West Germany to procure access to high technology that could be applied to the military sector.

West Germany has always been considered fertile ground for Soviet spies because of Russia's special relationship with East Germany.

Since West Germany recognizes only one German nationality, East Germans are granted immediate citizenship when they manage to emigrate. More than 35,000 East Germans have settled in the West this year, and some of them are

undoubtedly coming over for long-term espionage purposes, officials said.

As many as 10,000 East bloc spies are now said to be operating in West Germany, according to the federal prosecutor, Kurt Rehmann. A large number of them are believed to be technicians or scientific professionals working for the KGB's so-called T-section, which specializes in industrial secrets. The KGB is the Soviet secret police and intelligence agency.

To elude detection, many Soviet bloc spies effectively exploit the quiet demeanor and middle-class conservatism of the professionals who often characterize the professional class in science and industry here, Western intelligence officials said.

Mr. Rotsch is considered to be a prime example of the quiet, diffident technician who managed to avoid public suspicion during what officials believe were three decades of espionage service for the Soviet Union.

Mr. Rotsch emigrated from East Germany in 1954, according to the public prosecutor's report. He apparently lived a tranquil life in a Munich suburb, became a member of the conservative political party, the Christian Social Union, and even ran as a Christian Social Union candidate preaching rightist virtues in Bavarian township elections six years ago.

He was uncovered only after West German intelligence caught a Frankfurt employee of Aeroflot, the Soviet airline, in the act of retrieving secret documents hidden in a forest.

The public prosecutor's spokesman, Alexander Prechtel, said that Mr. Rotsch probably had betrayed the complete plans for the Tornado fighter plane. "He had access to all of the aviation and space programs," Mr. Prechtel said. "We still have to find out exactly what has been transmitted to the KGB."

## Women in Turkey Arrested for Veils

*United Press International*

ANKARA, Turkey — Eighteen Muslim women in eastern Turkey have been arrested for veiling their faces, Ankara newspapers reported Tuesday. The 18 were arrested in the town of Goleuk Monday during celebrations for the 61st anniversary of the founding of the Turkish republic by Kemal Ataturk.

A judge charged them with breaking a 1934 law on wearing the chador, a loose flowing garment covering the head and face like the Iranian chador, and then released them.

## North and South Korea Agree to Reunion Talks

By Sam Jameson

*Los Angeles Times Service*

SEOUL — North Korea has accepted a South Korean proposal to resume talks aimed at reuniting an estimated 10 million members of families separated during the Korean War of 1950-53.

The South Korean National Red Cross announced Monday that Son Song Pil, president of the North Korean Red Cross, told Yoo Chang Soon, his South Korean counterpart, that the North is willing to hold preliminary talks on the issue Nov. 20 at the truce village of Panmunjom.

The issue of allowing members of separated families to meet for reunions or to exchange mail was last discussed between Red Cross

representatives of both countries at a series of seven meetings. The last one was held July 13, 1973.

It was the second time in less than two weeks that the North had accepted a proposal from the South for dialogue and the third conciliatory gesture made by the North since September, when the Pyongyang government sent 7,200 tons of rice, 550,000 yard of cloth, 100,000 tons of cement, and medicine as relief goods to South Korean flood victims.

On Oct. 16, Deputy Prime Minister Kim Hwan of North Korea accepted a proposal from the South to open government-level trade and economic talks between the two countries. The first meeting has been set for Nov. 15.

## 240 Soviet Soldiers Die in Crash of Airliner Near Kabul

*Agence France-Presse*

ISLAMABAD, Pakistan — About 240 Soviet soldiers died when their troop transport plane crashed Sunday near the Afghan capital of Kabul, Western diplomats here said Tuesday.

They also said Afghan anti-government rebels had shot down at least four Soviet helicopters in the area around Kabul last week, using recently acquired SAM-7 missiles. The Soviet transport jet crashed

6 miles (9.6 kilometers) from Kabul after taking off with 240 soldiers returning to their country, the sources said.

According to one version, the crash resulted from a collision with another plane carrying young Afghans to the Soviet Union. Another report was that the plane was downed by Moslem rebels battling the Kabul government.

Western diplomats here confirmed for the first time that the

Afghan resistance fighters had obtained SAM-7 surface-to-air missiles and were successfully using them near Kabul. The rebels were known already to have deployed heat-seeking missiles in different areas of Afghanistan.

According to diplomatic reports, two Soviet helicopters were downed in an incident in Kabul last Thursday. One was seen disintegrating just 550 yards (500 meters) from the Defense Ministry's

headquarters in Darulaman. The helicopters were returning from Logar, where Soviet troops had completed a monthlong operation claiming about 400 Afghan lives, the reports said.

Two Soviet personnel died and one was wounded in an attempt to bail out of one helicopter, according to the reports. A third helicopter hit by guerrilla fire crashed-landed near Rishkor while a fourth was downed in the Logar region.

**'THE WIDEST DISTRIBUTION  
NEEDS WERE  
COMFORTABLY ACCOMMODATED'**



Our Business Class seats are as comfortable as you'll find in First Class on some airlines. But perhaps the most accommodating part of your journey with us will be the way our **SINGAPORE AIRLINES** hostesses care for you as only they know how. **BUSINESS CLASS**

## INSIGHTS

# More Ins Than Outs In Texas Border Game

By Mary Ann Sieghart  
Washington Post Service

EL PASO, Texas — It's 5 A.M., still dark, and there's a chill in the air. For a Border Patrol agent, John Tilt, who works the Rio Grande, the game has been going on since midnight.

He knows that if he shines a flashlight near any of the many holes in the border fence, he will spot a few illegal immigrants. They know that if they run back to the river toward Mexico, he won't bother to pick them up.

By 7 A.M., the game begins to tilt in favor of the immigrants. At each hole in the "Tortilla Curtain," large groups of "illegals" have gathered along the river's concrete edge. Both sides realize that there is safety in numbers. If Mr. Tilt comes near, the immigrants do little more than back away. Some even smile and wave.

"Most of them cross every day. It's a game to them," he says.

This is a community of more than a million Hispanics, with a ditch in the middle. On one side of the ditch is El Paso, Texas, U.S.A.; on the other, Juarez, Mexico. Once the Rio Grande truly was grand; now in places it is just ankle-deep. If the immigrants don't want to get their feet wet, they can cross a bridge or pay enterprising Mexicans a dollar a piece to be carried piggyback through the water.

El Paso starts out rich at the northern end and gets poorer toward the border. Juarez starts poor at the river and gets even poorer further south. So there is little to distinguish the bustling but sleazy areas of southern El Paso from their Juarez counterparts across the river. It looks like one community, and many Juarez residents treat it as such.

They sleep in Juarez and work in El Paso. If they don't have a border pass, they commute across the river. If someone like Mr. Tilt catches them and returns them to Mexico, they'll be back in hours.

Added to them are the Mexicans and other Latin Americans who plan to make the United States their home. They are more likely to head for the interior and settle in a city with a large Hispanic community such as Los Angeles, Denver, Dallas or New York.

This is the immigration problem that Congress has tried but failed to resolve for the last three years.

Last year, the Border Patrol apprehended more than one million illegal aliens. Nobody knows how many more slipped through. Many believe that the Border Patrol will never be enough to counteract the lure of jobs.

"You can earn as much in a day here as in two weeks over there," says Mr. Tilt, pointing to Mexico.

Representative Ronald Coleman, a Democrat who represents the El Paso area, says, "One of the true monuments to the ignorance of mankind is the suggestion that you can place barriers across places where people want to travel."

The Border Patrol is well aware of this, but there is little it can do. Larry Richardson, chief patrol agent at the El Paso station, is philosophi-

cal. "All we do is send them back to 'Go' like a big Monopoly game," he says.

Mr. Tilt, the son of Finnish immigrants, has been on the job for 15 years. Before that, he drove a truck in New York. "I like to drive," he explains dryly.

By dawn, the immigrants are coming over thick and fast.

"There's about half a dozen crossing Paisano and another half a dozen going west down the access road," Mr. Tilt radios headquarters.

"It's no problem to catch aliens; they're all over the place," he explains. "We know where they're crossing and where they're going. It's just a matter of how many people we have working that day as to how many we catch."

Most days, the El Paso patrol picks up between 600 and 800 aliens. Mr. Tilt estimates that this is about 20 percent of those crossing each day, or one in five. Mr. Richardson is slightly more optimistic; he puts it closer to one in three. But it is difficult to calculate and is complicated by the fact that the same person may be apprehended twice or even three times a day.

If they are taken in by an agent, they will fill in a form and maybe spend an hour or two behind bars in the office before being sent back to Mexico. Generally they go before an immigration judge only if they choose to or if they have committed a crime.

The agents are courteous and friendly to the people they catch this morning. "Goodbye, thank you," one young man says as he gets out of Mr. Tilt's car to be herded into a van. "It's nothing," Mr. Tilt replies in Spanish.

Stationed in a parking lot on the hillside, with a good view of the river, Mr. Tilt surveys the scene through a pair of binoculars.

"There's just too many of them and not enough of us," he muses. "There'll be 40 or 50 coming in at the same time. If I was there, I'd only catch five or six. The best you can hope for is that they run south back to Mexico. Then at least they didn't get in while you were there."

It is hard to avoid cynicism. "Every now and then, I get bored with it," he says, "the same old faces, the same old game. If you put them in jail occasionally, they know it's not a game. We do it just to let them know we're still in control."

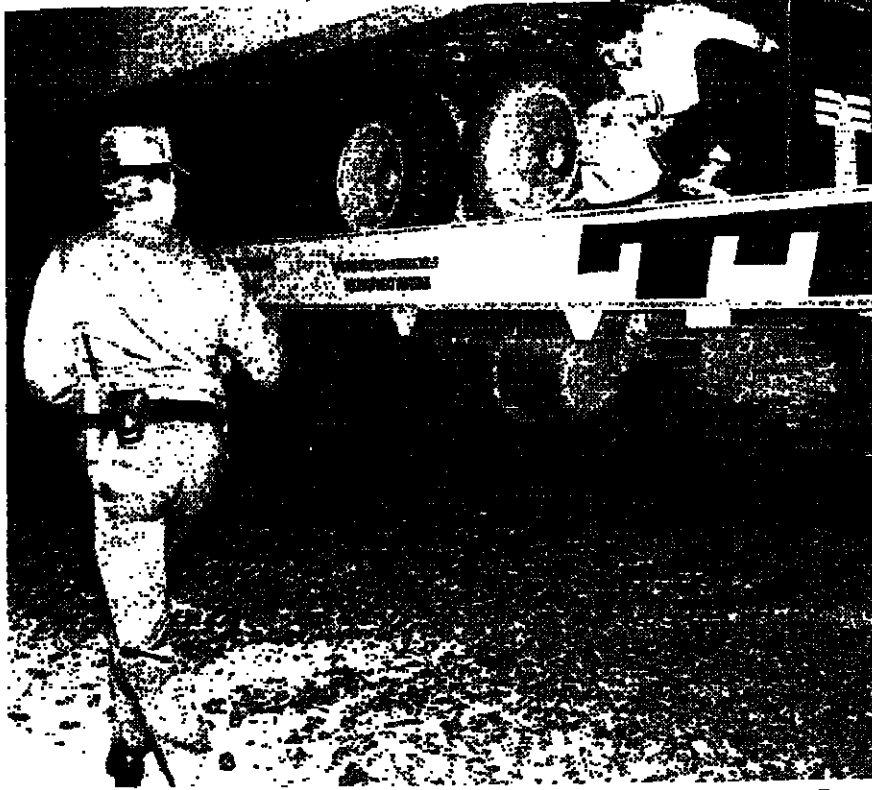
But, apparently, they're not in control. "I know," he admits, "but we don't want to let them think that."

FROM a helicopter, the contrast between the two countries becomes much starker. On one side of the river is a dry and dusty brown hillside, dotted with ramshackle one or two-room hovels. The roofs are disintegrating, the roads are dirt tracks and there is little evidence of running water or electricity.

Down to the right are prosperous brick houses, tarmac roads and well-tended lawns. Not just that; a country club with a lush golf course, lakes, tennis courts and swimming pools.

The border divides the First and Third Worlds.

The helicopter veers left to survey the sand hills.



A U.S. Border Patrol guard orders an illegal alien off a freight train in El Paso.

"It's desert from here to California," says its pilot, Bill Green. The border fence in the desert consists of small stakes with several strands of wire stretched across. There are no guards.

Mr. Green's job is to look for tracks of border-crossers and to alert ground patrol, but it is already 7 A.M.

"By the time we pick up tracks at this time in the morning, they're long gone. They're probably working in the fields by now," he says.

The sand hill team on the ground, which tries to stop people crossing the desert, also uses underground sensors. These detect vibrations on the surface, telling the team where the desert-walkers are.

Catching border-crossers in the desert has higher priority than stemming the flow across the river. Given limited resources, the Border Patrol has chosen to focus on preventing two things: the smuggling of people for money and the influx of aliens to the interior.

"If you're talking about going to the interior and don't want to have to ride the freight trains or hitchhike, the chances are you'll have to use an organized smuggling ring," says Mr. Richardson. That can be expensive. "You can talk thousands of dollars a piece, and when they handle hundreds of thousands of people, that's a lot of money," he said.

GETTING out of El Paso is a lot harder than crossing the border, but the chances are still about 50-50, according to Border Patrol estimates. The patrol has checkpoints on all major highways leaving town, and at the airport plainclothes agents sometimes ask for identification.

But it is the freight trains that are probably the most popular. "If they want to get on a train going out of El Paso, they have no problem finding one," says Robert Cranston, who supervises the train and sand hill checks.

Getting to the freight yard is also no problem. "Here are the railroad tracks," Mr. Tilt pointed out as he hurried down the levee road. "They're right next to the river. They're a main line to California and the river is just a hop, skip and a jump down there."

Groups of agents work the yards most of the day and night. They try to concentrate on trains going north; those heading east or west will be checked again by agents in other areas.

In the desert, Mr. Cranston checks the sand hills for footprints as a train sidles round the mountain. As it passes, he thinks he spots someone peeping out of a hole in one of the cars. Luckily, the train has to stop for a signal. Mr. Cranston and another agent leap from car to car, looking in the usual hiding places. All they find is a food bag; the immigrant must have jumped off and hidden in the bushes.

Despite the searing midday sun, the agents are methodical. They start at each end of the train, which must be half a mile long, peering underneath and on top of the cars.

"They'll ride in the most dangerous places," Mr. Cranston says. "They'll get under the freight car and cling on." Is it worth it? "If they can get out of El Paso, they've got it pretty well made. It's the price you pay for the good life, I guess."

Back at the freight yard, the agents have found 39 aliens on a departing train. On its way out of the yard, the agents try again. One man stands on a platform about 15 feet high to look down into cars. Others jump deftly from car to car, hauling people out of the most unlikely

"It's no problem to catch aliens; they're all over the place. We know where they're crossing and where they're going. It's just a matter of how many people we have working that day as to how many we catch."

places. Another eight are caught, one a girl who has tried this three days in a row.

On the Carlsbad highway checkpoint, a half-hour drive out of town, Glen Wood and Ray Powers, two agents, are stopping vehicles. They wave some through. They ask the occupants of others if they are U.S. citizens. If the answer is a confident yes, there are no further questions.

"You go by a person's demeanor; how they look, how they dress, whether they have accents," Mr. Wood explains. "If people look bewildered, I'll ask for their papers, also if the car looks low to the ground or there is stuff in the back seat that should be in the trunk."

If you have blond hair and blue eyes, you are likely to be waved through with no questions. "It's a touchy issue," Mr. Richardson admits. "We're second-guessed all the time on actions that might conceivably be based on racial appearance. We try to get people to understand — the reason for apprehending someone is that you suspect he's violated the immigration law, not because he's Mexican."

He cites the 90 nationalities of illegals apprehended in his area last year, but agrees that the total figures are against him: more than 200,000 were Mexican; 2,000 from other countries.

The non-Mexican illegals are the most exploited by smugglers, according to Oscar Martinez. He heads SIBA — Stop Interior-Bound Aliens — a nine-agent group set up recently to try to catch the smuggling rackets out of El Paso. There is also an anti-smuggling unit, which focuses on infiltration and intelligence.

Salvadorans, Nicaraguans or Guatemalans are more likely to pay a smuggler because they don't know how the border works, they want to ensure that they reach the interior and they have more to lose if caught. The smugglers cram them into trucks, vans and even motor homes.

Mr. Martinez, who works nights, patrols the common loading areas in his unmarked car, keeping the radio out of sight. If he spots a suspicious vehicle, he follows it discreetly and calls in other agents to help.

He says a Mexican would have to pay \$300 to \$500 to be smuggled door-to-door to somewhere like Denver. For an illegal from another country, the fee would be \$1,200 to \$2,000. A truckload of 30 Salvadorans could net a smuggler as much as \$60,000.

"Alien smugglers don't have much concern for the people they're smuggling," Mr. Martinez says. "They look upon them as merchandise."

He cites drivers jumping out of vehicles while being chased by SIBA agents, leaving the trucks to career toward the river or a tree.

"I think these people are worse than drug smugglers," he says, adding, "Smuggling is such a lucrative business and the penalties are so minimal."

William E. Weinert, an immigration judge in El Paso, agrees. "Smuggling is big now, and it's profitable. You can make almost as much smuggling aliens as you can smuggling dope, and if you do get caught, it's next to nothing compared with narcotics." Penalties vary from light suspended sentences to a few years in prison.

"A lot of people are weekend smugglers," Mr. Martinez says. "They come down here from somewhere like Denver on Thursday, recruit in Juarez on Friday, and smuggle the immigrants over on Saturday night. They're in Denver by Sunday evening and back in their jobs by Monday morning."

# A Vietnam Memorial: Letters From Veterans

New York Times Service

NEW YORK — If you are able, save for them a place inside of you... In Vietnam, on New Year's Day 1970, Major Michael Davis O'Donnell began a poem with those words. Three months later, the 24-year-old helicopter pilot was reported missing in action.

Now his poem, contributed by his sister, is being considered for New York City's Vietnam Veterans Memorial in lower Manhattan. The words that American soldiers wrote from the battlefields and base camps of Vietnam, along with the news they received from home, will be etched on a plain glass wall 70 feet long (about 20 meters) and 14 feet high.

Since appealing for contributions last May, the Vietnam Veterans Memorial Commission has heard from nearly 100 former servicemen, their families and friends, who have sent about 250 items. They are mostly letters, but there are also poems, discharge papers, clippings and a holy card on which a short-term's calendar was kept.

What follows are excerpts from some of those papers. Not all will find their way onto the memorial. But the commission shared the letters in the hope of encouraging even more contributions and having the broadest possible base from which to choose.

"It has been an extraordinarily emotional experience," said Peter P. Mahoney, a veteran who is the commission's deputy director. "A lot of it took me right back to that time and place. What was amazing to me was the simple eloquence that came out, in letter after letter — that quality that they weren't even trying for."

The commission will close its files on Nov. 11, Veterans Day, and then choose perhaps 150 excerpts. It hopes to dedicate the memorial May 7. Photographs of correspondence should be sent to Vietnam Letters, 110 Church Street, 17th Floor, New York, New York 10007.

Letters From Roger Barber of Conness, New York, 8 Years Old, to Specialist 4 Frank A. Russo

Dear Soldier Friend  
Hi. My Name is Roger Barber I belong to Den 2 pack 79 I'm sorry you had to fight in The war I don't like to fight but you please watch out. I'm sending you some gifts and I hope you like them please have fun.

Your Friend  
Roger Barber  
have a nice christmas  
By!!

Dec. 18, 1971

Hi, Frank  
Do you still remember me well I'm Roger the one who sent the Christmas stuff to you. Well now you know I'll finish the rest of my letter.

I liked your letter, but Frank why did you join the war? I'm sorry about your friends who died. And I hope they let you get out this Christmas. And Frank I will pray for you and your friends. I might get to see you another present if my mother lets me, have a nice Christmas to and I hope you get some presents.

And have a nice time to won't you.  
Have you had snow yet? Well we have and we got three snowmobiles and there fun. Last year me and my little brother rode the snowmobiles and every time I turned the corner real fast I tipped the snowmobile and then I looked back and he was laying on the ground.

Well by and have fun  
Roger David Barber

Excerpts From Letter to Specialist 4 Kenneth E. Peoples Jr. From His Mother and Father in Queens, New York

Feb. 20, 1967

Hello Son,  
How are you feeling today? Hope this letter will find you successfully recovering. Today we received your "Purple Heart" medal. I looked at it with mixed emotions. Happy, because you are out of Viet Nam; sad, because of the price you had to pay to get away from there. However, I do hope that you won't have any serious complications and that you will fully recover and be restored to health.

I also realize the thousands of boys who will never return home, and the parents who have received the "Purple Heart" because of their sons' death. When I think of these things, I know that I shouldn't feel too bad about your condition. Our main concern now is your recovery! Let me say hear and now that I'm extremely proud of you, son. Not because you were awarded the "Heart," but because you did an honorable thing. I know that you were bitterly against going into the service and rejected our reasons for being in Viet Nam.

I also know of your feelings about the U.S. and its treatment of Negroes. I also imagine that you were contemplating going to AWOL. Yet, in spite of these conditions you did everything that was asked of you. Whether it was to please your mother or your grandmother I do not know.

But I do know that you made a prudent and honorable decision. It may not matter at all to you, but you are coming home a hero to us. Not a war hero, because you had to fight and get shot, but more so because you made a man's decision, and stuck it out.

You should feel proud of yourself! You are now in a position to take every advantage that is offered to you (and there are many). You can hold your head high everywhere you go, and you can go anywhere you wish. Had you chosen the alternative, these things would not be so.

I hope Richard will realize these things and take that "chip" off his shoulder! Everyone here is so concerned about you, all of our friends constantly ask about you. Everyone at St. Rita knows that you've been wounded. Your mother told one person about you on the telephone, and a few days later the whole parish knew. Certainly will be glad when you are sent stateside. I hope it will be St. Albans or in the near vicinity. Let us know as soon as you find out.

Love,

Mom & Pop

Excerpts From Letters by Lieutenant Marion Lee "Sandy" Kemper to His Family in Galveston, Texas

Aug. 7, 1966

I have just given a class on ambushes. I was chosen because of my charm, intelligence and messianic-like personality, and besides, I am the only graduate of the Basic School besides the Captain in the whole company and therefore have all the books.

So I gave a brilliant dissertation on the fine art and the finer points of committing mayhem from a hidden position on unsuspecting and probably innocent people to a sea of young and blank faces.

As I finished there were resounding cries of "Bravo," "Encore," etc., flowers were thrown, and I was carried off to my tent by my audience. As I think I might have stated, my Sergeant got my people into shape and they are now obeying orders without question as exemplified by the above.

Aug. 12, 1966

We have been doing a lot of work in the villages lately, of the community development type, so it looks as though I will never get away from my Peace Corps day.

We must really be messing up these people's minds: by day we treat their kids and fix up their children and deliver their babies and by night, if we receive fire from the general direction of their hamlet, fire generally will reach them albeit not intentionally; they must really be going around in circles.

But I guess that just points up the strangeness of this war. We have two hands, both of which know what the other is doing, but does the opposite anyway, and in the same obscure and not too reasonable manner — it all makes sense, I hope.

Sept. 2, 1966

Sorry to be so long in writing, but I have just come back from an abortion called Operation Jackson and I spent a three-day "walk in the sun" (and paddies and fields and mountains and impenetrable jungle and sawgrass and ants, and screwed-up radios and no word, and deaf radio operators, and no chow, and too many C-rations, and blisters & torn trousers and jungle rot, and wet socks and sprained ankles and no heels, and, and, and) for a Battalion that walked on roads and dykes the whole way and a Regiment that didn't even know where the Battalion was, finished off by a 14,000 meter forced march on a hard road.

My God, the epic poems I could write to that ambush of Marine Corps cuisine — peanut butter and/or hot coffee after three days of that! The only person in the whole Battalion to see a V.C. was, of course, me.

I was walking along a trail doing a village sweep all alone and here comes Charlie. Rifle in hand, with not a care in the world until he sees me, and then it's a race to see if he can get off the road before I can draw my .45 and get off an accurate shot (he won).

Of course, there was an incident when four snipers took on the Battalion which promptly, more to release the weight of all that expended ammunition than anything else, threw everything at them but the Missouri; and that would have been there too, except it could not get up the Sang Tra Bong. So goes about \$50,000 worth of ammo. They probably played it up as a second two Jims at home, but it wasn't.

Sept. 19, 1966

From the hospital at Chu Lai, after being wounded by a carbine round in an ambush.

I am lying in bed here and it comes time for that most thrilling event, "The General gives out the Purple Hearts." The General in this case is a 2 star type named General Fields, who is also Div. O, and a big, gruff, heavy type whose first words to me were "Aren't you the one who wrote on that form that supplies weren't getting to the troops? Do you have any specific examples?"

So, what the hell, I gave him a few, and he, predictably enough, cut me off, explaining how the folks back home were having to be forced to make utilities and in a very small voice I pointed out that a great deal of the problem was right here in River City.

He ignored that and never stopped smiling although it got a little forced after awhile, and his entourage stood around with little grins etched into their empty faces which occasionally laughed heartily whenever the General made a funny, which was signaled by his own chuckling. All in all, it was a dreadful performance by everyone, but in a way, a classic of stereotypical characters and situations I have watched acted out much to my growing concern. They finally left me sicker than I was before and with a medal I never wanted anyway.

Oct. 20, 1966

This morning, my platoon and I were finishing up a three day patrol. Struggling over steep hills covered with hedgerows, trees, and generally impenetrable jungle, one of my men turned to me and pointed a hand, filled with cuts and scratches, at a rather distinguished looking plant with soft red flowers waving gayly in the downpour, (which had been going on ever since the patrol began), and said, "That is the first plant I have seen today which didn't have thorns on it." I immediately thought of you.

The plant and the hill upon which it grew, was also representative of Viet Nam. It is a country of thorns and cuts, of guns and marauding, of little hope and of great failure, yet in the midst of it all, a beautiful thought, gesture and even person can arise among it waving bravely at the death that pours down upon it.

Some day this hill will be burned by napalm, and the red flower will crackle up and die among the thorns. So what was the use of it living and being a beauty among the beasts, if it must, in the end, die because of them, and with them?

This is a question which is answered by Gertrude Stein's "A rose is a rose is a rose." You are what you are, what you are. Whether you believe in God, fate, or the crumbling cookie, elements are so mixed in a being that make him what he is; his salvation from the thorns around him lies in the fact that he existed at all, in his very own personality.

There once was a time when the Jewish idea of heaven and hell was the thoughts and opinions people had of you and your family. But what if the plant was on an isolated hill and was never seen by anyone, that is like the question of whether the falling tree makes a sound in the forest, primeval when no one is there to hear it: it makes a sound, and the plant was beautiful and the thought was kind; and the person was humane, and distinguished, and brave, not merely because other people recognized it as such, but because it is, and it is, and it is.

Beauty, they say, is only skin-deep, but true beauty emanates from the soul where it might not be recognized, seen, or appreciated as readily, but nevertheless is there, even more than skin-deep variety.

The flower will always live in the memory of a tired, wet Marine, and has thus achieved a sort of immortality, but even if we had never gone on that hill, it would still be a distinguished, soft, red, thornless flower growing among the cutting, scratching plants, and that in itself is its own reward.

On patrol three weeks later, Nov. 11, Lieutenant Kemper was wounded in the abdomen by a fragmentation device that had been tripped by another marine. He ordered the corpsman to take care of the other injured man first. The 24-year-old lieutenant died aboard a helicopter on the way to a hospital in Chu Lai.

Beyond more luxury

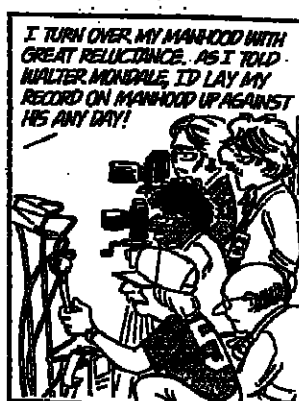
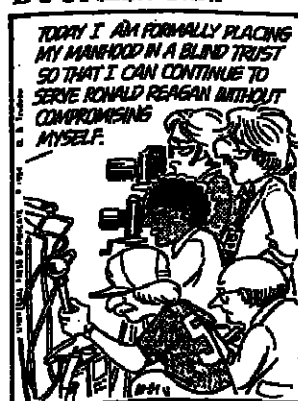
Cartier

LUXURY SLIM SATIN-TIPPED CIGARETTES

les must de Cartier



## DOONESBURY



## Whoopi Goldberg: Lovable, Exasperating

By Frank Rich  
New York Times Service

NEW YORK — Certain facts are not in doubt about Whoopi Goldberg, the comic actress and monologist who has brought her one-woman show to Broadway. Goldberg is a warm, almost childlike performer with a sweet clown's face, an elastic body, a sensitive social conscience and a joyous stage name. What is in question is whether she yet has the range of material and talent to sustain a night of theater. Don't be surprised if you leave the Lyceum feeling more enthusiastic about Whoopi Goldberg, the personality, than "Whoopi Goldberg," the show.

During the course of her sporadically entertaining 90-minute presentation (plus intermission), the actress creates six principal characters, all social misfits. With only a simple pants-and-shirt costume, a few props and an empty stage (superbly lit by Jennifer Tipton),

Goldberg can instantly transform herself from a jivvy, feral black male drug addict to a whiter-than-white 12-year-old Los Angeles Valley Girl.

Impersonating a deformed, disabled woman later on — "This is not a disco body," she explains — the actress suddenly unmakes her crippled physique and voice to act out the character's touching, balletic fantasy of being normal. It is also endearing to watch Goldberg don a hat and puff up her cheeks to play a proud, aged, gummy-mouthed bum lost in fading memories of tap dancing with the Nicholas Brothers.

Such high points notwithstanding, the suspicion persists — at least to a first-time Goldberg watcher — that a still-developing fringe-theater act has been padded and stretched to meet the supposed demands of a Broadway occasion. Goldberg, much like Lily Tomlin, wants to make us laugh, cry and think. Yet her jokes, however scatological in language, can be mild and

overextended, and her moments of pathos are often too mechanically ironic and maudlin to provoke.

Take, for instance, the opening routine about the black junkie Goldberg imagines that the character would fly all the way from New York to Amsterdam and end up saying a solemn visit to the Anne Frank museum. This is an inventive premise, but the execution runs nearly a half hour. Part of the excess is wholly gratuitous. When Goldberg strings together wise-cracks about cold airline food or sends up the television series "Bonanza" as dubbed into German, she's reviving Bob Newhart and Shelley Berman stand-up stilt of 20 years ago. A more exasperating form of self-indulgence tames the sketch's potentially startling denouement. The spiritual communion that the stoned black man achieves with a Nazi victim loses its impact once Goldberg allows her previously inarticulate character to hammer in the message — even to the point of explicating Anne Frank's most famous diary entry.

Though the other segments are briefer, they all go on too long — and they nearly all follow the same primitive dramatic formula. The sketches usually start out friskily and then lurch toward a sentimental trick ending. Sometimes the sentimental conclusion is downright dippy. Valley Girl is heading toward an abortion — but more often it is uplifting. The deformed woman finds love, and the old dancer invites the audience to hold hands in brotherhood.



Monologist Whoopi Goldberg

## As a Conductor, Placido Domingo Has Yet to Find Himself

By John Rockwell  
New York Times Service

NEW YORK — Franco Zeffirelli's opulent, sometimes vulgar staging of "La Bohème" at the Metropolitan Opera is a known quantity, as were all but one of the singers in these parts, when Puccini's most popular opera returned for the first time this season.

The new element was the tenor Placido Domingo, who was making his Met debut Thursday as a conductor. He is scheduled to be on the podium for all the "Bohème" performances this season.

This is, of course, to some extent a gimmick: How many other neophyte conductors would be entrusted with something as visible as

this? The Met is counting on Domingo's name and novelty value to help sell tickets (along with the continued popularity of Zeffirelli's production); surely Thursday's cast would not set box office records by itself.

But Domingo is not like Danny Kaye, either, mining before cooperative musicians. He's a solid musician, he's worked at his conducting, and he has experience. This wasn't even his New York debut as a conductor, since he led performances of "La Traviata" at the New York City Opera 11 years ago.

Conductors can be judged on two standards: whether they hold things together technically and, then, whether they bring something

special and individual to their interpretations.

On the first criterion, Domingo did a fully professional job. "La Bohème" is such a familiar score that one might think soloists, choruses and orchestras could play it without any conductor at all, and certainly Domingo would be more tested by, say, "Die Meistersinger" or "Moses und Aaron."

Still, there are all kinds of problems of coordination between stage and pit, especially in the bustling second act, and with a production as grandiose as Zeffirelli's and as theater as big as the Met. A few phrases aside — the kind of roughness one might encounter with any conductor — Domingo handled himself admirably in this re-

gard, with the orchestra playing as crisply and sweetly as this first-rate ensemble usually does.

To this taste, however, he didn't bring much of his own to the music-making. One might have thought there would be some special sympathy between orchestra and singers with a singer on the podium. Domingo was helpful, and he didn't overpower his singers — although he had healthy-voiced principals who probably could have sung through most anything.

He did have a few ideas that made one perk up and take notice (an unusually brisk tempo at the very beginning, for instance). But otherwise, this could have been any routine in the pit — which is as much a tribute to Domingo's skill as it is a comment on his security as a conductor.

Like any instrument, an orchestra must be practiced. Domingo

clearly has the potential to be a fine conductor, but it will take time — more time than he will have as long as his singing career is flourishing — for him to develop into a maestro.

The only singer appearing for the first time in "La Bohème" at the Met was Eugenia Moldoveanu as Mimì. Moldoveanu has a good-sized soprano but not an inherently gorgeous one, and her otherwise honorable singing was undercut by a slight unsteadiness and acidity on top.

The Rodolfo, Giuliano Ciannella, has a big, beefy, rough throat that might be very effective in primary-colored dramatic parts. But he is no poet, which is exactly what Rodolfo is and must be. The rest of the cast, always serviceable but rarely more, was headed by Myra Merritt, Pablo Elvira, John Cheek (who did turn in a fine Coste Aria), Vernon Hartman and Renato Capecchi.

## Rembrandt as Art Teacher

The Associated Press

AMSTERDAM — A new exhibit at the home of Rembrandt van Rijn affords a glimpse of how the master taught his apprentices three centuries ago.

About 75 drawings and etchings by the painter and his pupils have gone on display for two months. Many have been drawn from collections in the Netherlands, France, West Germany, Austria and Britain.

The exhibit, called "Rembrandt as a Teacher," has drawings of the studio where Rembrandt taught his apprentices.

"It also aims to show the relationship between Rembrandt and his pupils, what he wanted to pass on and how much of this can be found in their work," said Eva Or-

stein-van Slooten, the museum curator, on Tuesday. During his 40-year career, Rembrandt is believed to have had more than 40 students, some of whom were trained to copy original works for public sale, according to Orstein-van Slooten.

Works by 14 Rembrandt pupils are included in the exhibit.

## 'Tramway': A Whimper, Not a Cry

By Sheridan Morley  
International Herald Tribune

LONDON — Not so much a cry as a whimper from the beloved country, Ronald Harwood's "Tramway to Blue" (by the Lyric Hammersmith) is a play that could have been a brilliant one-act drama stretched out beyond an interval.

As in Harwood's earlier "The Dresser" we are on intermittently autobiographical territory: the setting is Cape Town in 1951, the year that Harwood left his home town for the London of Donald Wolfit.

The central character is an expatriate gay English teacher living with

can be a person one moment and not a person the next, are already like something out of the very best of Rattigan and Maugham and Bennett.

But then, with the drunk scene that opens Act II, it becomes clear that Harwood has nowhere much to go and nothing much to add to what we already know: the teacher, of course, betrays his pupil just as he has always betrayed his friends and his own destiny, the wife goes on drinking, the pupil goes on to his own tragedy and the houseboy is left singing a little song. Somehow, despite the dexterity of David Jones's marvelous production and Timothy O'Brien's tactfully all-gray set, the sense of anticlimax is overwhelming: we have started out on a novel and finished up with a short story, but for all that I'd not be inclined to miss a moment of it.

From "Marilyn" to "Seberg," Hollywood musical biographies have been having a rough time on the London stage lately and it can at least be reported that "Blackheads" (at the Mermaid) achieves a level of professional competence that in this area can by no means now be taken for granted.

Cobbled together by the "Snoopy" team led by Arthur White, this is an attempt to stage both the lives and the routines of Laurel and Hardy, and its success or failure is directly related to which of the aspects you reckon the most important. If you want to see a more than adequate reproduction of such set-pieces as "The Barber's

Shop," then "Blackheads" is for you: Mark Hadfield (as Stan) and Kenneth H. Waller (as Ollie) achieve lookalike impersonations of considerable dexterity, and Kay Cole's choreography is clearly based on a working knowledge of the old two-reelers.

But there are moments when you see how much better and more intriguing a show it might have been had they gone with the lives instead of the work: if you want a Laurel and Hardy routine, television can usually oblige. Instead, how much more intriguing to have explored, instead of merely mentioned, Laurel's obsessive hatred of Chaplin's solo stardom and the odd-couple quality of his attachment to the infinitely lazier and more laid-back Hardy. Coming from different sides of the Atlantic, united by nothing but their snoots, they were an intriguing marriage of opposites: "Two minds" as Hardy once said, "without a single thought." But in this rough, nostalgic, sketchy compilation we don't really get to know enough about either of them to care why they ended up alone and unloved on 1950s music-hall tours of Britain. Nor is a sense of period achieved by having Chaplin in 1911 utter a line like "I want the money up front." A better book and a better score might have made this into a memorable evening: as it is, we have a lovingly polished wax-work show remarkably lacking in internal energy despite Laurel's final and heartbreaking realization that he's only ever going to make it as half of a double.

## THE LONDON STAGE

his alcoholic wife in a run-down white section of town where they run a leading literary and take in the occasional stagestruck pupil.

If Harwood did not have such teachers, then he has brilliantly invented them: he has also invented a black houseboy and a passing-for-white pupil who make up the entire cast of his play, one who is made both memorable and infinitely touching by the performance of Freddie Jones as the old teacher.

For though this may appear to be a play about the horrors of Cape Town apartheid and the shameful way in which a young man on his way to England can suddenly have his passport denied because he has been reclassified as "non-European," Harwood has been away from all of that for a very long time and it is quite clear that his interest, if not all of his sympathy, is now with the British expatriates trying to make sense or at least find comfort in an all too alien land. Thus what we have here is far closer to the short stories of Somerset Maugham about the English washed up in Singapore during the 1920s than it is to the writing of, say, Athol Fugard or Alan Paton.

From the start it is clear that Jones is going to dominate here as he first dominated "The Dresser" playing the old actor; again we have a larger-than-life misfit reeling around in a world he no longer has any hope of controlling, only now instead of the wartime bombs falling outside we have the brick through the window which is the start of racial unrest along the tramway road.

Up until the end of Act I, I thought we also had here the best new play of the year: the brilliance with which Harwood sketches in the minor public-school past of his teacher ("Princes Risborough is an English town, not a minor member of the royal family") and the awful marriage of convenience to an alcoholic woman (Annette Crosbie in a performance to rival that of Jones in its mix of pathos and decay) in order to escape embarrassing charges of homosexuality, suggest that we are in for one of those Alan Bennett evenings about the British abroad, slowly strangling themselves with faded Union Jacks and memories of the News of the World.

Here, there seems to be a wealth of local detail: the con carnival for which the black houseboy is solemnly preparing to black his features, the creeping paralysis of two expatriate spirits in a police state they haven't even begun to understand, and the arrival of the pupil who may not be white enough to have a future.

All this bodes wonderfully: the failed teacher who believes that art knows no color bar offering his pupil "Three Men in a Boat" when asked for a book about sport, the wife trying to understand how you

## WORLDWIDE ENTERTAINMENT

OY: UGC Biarritz, UGC Odéon,  
Les Montparnasse, 3 Murat Beaubourg Halles

## KATHY SHRINER

FOLIE  
RUSSE  
CABARETLOEWS  
MONTE-CARLO

phone: (01) 84.85.80

SBM - LOEWS  
CASINOCraps • Roulette • Black-Jack  
Big game tables

For Reservations 01 84 85 80

LONDON'S FAMOUS NIGHTSPOT

**Stingfellow's**

SUPERB FRENCH RESTAURANT & DISCOTHEQUE

A La Carte 8p.m. til 1.30a.m. Breakfast 1.30a.m. til 2.30a.m.

STAR PARTY DISCO 11.30p.m. til 3.00a.m.

Upper St. Martin's Lane, London WC2H 9EF Tel: 01-240 5534

## People who know what's good for business

Fly Northwest Orient to the USA in the luxury of Regal Imperial service and pay your way with the American Express Card! From Copenhagen, Dublin, Glasgow Prestwick, Oslo, Shannon or Stockholm, you can enjoy the exclusive sleeper-seat comfort of our "Executive Suite" to Minneapolis-St. Paul, Boston or New York at ordinary business class fares. From Hamburg, Frankfurt or London Gatwick, there are sleeper-seats for all First Class passengers and the choice of special Executive Class seating zones on the upper deck or

in the main cabin. Wherever you go, you'll enjoy freedom, flexibility and peace of mind with the American Express Card to pay for virtually all your travel expenses — in restaurants and hotels, for car hire, for shopping. People who know what's good for business, choose Northwest Orient and American Express!

If you are not yet enjoying the benefits of American Express Cardmembership, pick up an application form where you see this sign...

**NORTHWEST ORIENT**  
The American winner

Call any of our European offices:

London 01-425 5533  
Amsterdam 020-240415  
Athens 1-360 7936  
Brussels 02-218 6262  
Copenhagen 01-14 88 99  
Dublin 01-717166

Frankfurt 069-23 43 34  
Glasgow 041-236 4175  
Hamburg 040-35 15 41  
Manchester 061-999 2471  
Milan 2-783 730  
Oslo 02-11 30 10

Paris 1-247 13 41  
Stockholm 08-14 38 90  
Tel Aviv 3-295 153  
Vienna 222-538 704  
Zurich 1-251 3200

Agents in: Anchorage • Atlanta • Billings • Birmingham • Boston • Butte • Chicago • Cleveland • Dallas • Denver • Detroit • Edmonton • Fairbanks • Fargo • Ft. Lauderdale • Ft. Worth • Grand Rapids • Grand Rapids • Helena • Hollywood • Kansas City • Las Vegas • Los Angeles • Madison • Miami • Minneapolis • Milwaukee • Montreal • New Orleans • New York • New York • Omaha • Philadelphia • Phoenix • Portland • Rochester • St. Louis • St. Paul • St. Petersburg • San Diego • San Francisco • San Jose • Seattle • Spokane • Tacoma • Tampa • Tucson • Washington D.C. • West Palm Beach • Winnipeg • and the Far East



NYSE Most Actives					Dow Jones Averages					NYSE Index					AMEX Diaries					NASDAQ Index					AMEX Most Actives				
Vol.	High	Low	Open	Close	Open	High	Low	Close	Change	Open	High	Low	Close	Change	Open	High	Low	Close	Change	Open	High	Low	Close	Change	Open	High	Low	Close	Change
3,517	174 1/2	174 1/2	174 1/2	174 1/2	1,200 1/2	1,200 1/2	1,200 1/2	1,200 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2
1,117	174 1/2	174 1/2	174 1/2	174 1/2	1,200 1/2	1,200 1/2	1,200 1/2	1,200 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2
1,117	174 1/2	174 1/2	174 1/2	174 1/2	1,200 1/2	1,200 1/2	1,200 1/2	1,200 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2
1,117	174 1/2	174 1/2	174 1/2	174 1/2	1,200 1/2	1,200 1/2	1,200 1/2	1,200 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2	1,199 1/2	1,199 1/2	1,199 1/2	1,199 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

## NYSE Stages a Spirited Rally

**NEW YORK**—Stock prices staged a spirited rally Tuesday, getting a boost from falling open-market interest rates.

Auto and financial-services stocks joined a variety of other blue-chip issues at the forefront of the advance.

The Dow Jones average of 30 industrials, which had fallen 24.52 points over the past six sessions, rebounded 15.90, to 1,217.31.

Volume on the New York Stock Exchange stepped up to 95.20 million shares from Monday's three-week low of 63.20 million.

Interest rates on both short- and long-term government securities tumbled in the credit markets Tuesday, resuming their decline of the past several weeks.

Short-term Treasury bill rates dropped more than one-tenth of a percentage point. Prices of long-term government bonds, which rise when rates decline, moved up more than \$10 for every \$1,000 in face value.

Analysts also noted that the stock market held its ground Monday at the 1,200 level in the Dow Jones industrial average, suggesting that many traders found stocks an attractive buy at that point.

But they said several uncertainties continued to weigh on the market—most notably the question of how much the economy might slow in the months ahead.

The government's monthly report on its index of Leading Economic Indicators is due out Wednesday. Wall Streeters generally expect the index, which is designed to detect future economic trends, to show at most a small increase for September.

Brokers also said traders were cautiously awaiting the election next week. It is widely assumed that a decisive victory by President Ronald Reagan has already been anticipated by the stock market.

In the auto group, General Motors gained 1 1/2 to 80 1/2; Ford Motor 1 to 47 1/4, and Chrysler 3/4 to 31 1/4.

Among securities-industry issues, Merrill Lynch rose 1 1/4 to 30 1/4; First Boston 1 1/4 to 52; E.F. Hutton 1 1/4 to 32; Paine Webber 3/4 to 30, and Hutton-Salomon 3/4 to 30 1/4.

Other prominent gainers included International Business Machines, up 2 1/4 to 126 1/4; General Electric, up 1 1/4 to 104 1/4; Digital Equipment, up 2 to 104 1/4; and Procter & Gamble, 1 1/2 higher at 58 1/4.

Southern Co. led the active list, up 1/4 at 17 1/4. The company reported third-quarter earnings of \$1.06 a share, up from \$1.05 in the comparable period last year.

The daily tally on the Big Board showed more than two issues rising in price for every one that declined, and the exchange's composite index jumped 1.05 to 96.11.

"I believe the market is electing President Reagan again," said Joseph Broder of Stuart, Coleman & Co. He also said people seemed convinced that the make-up of Congress will help the President get his programs passed.

Mr. Broder said the outlook for a modest inflation rate also was helping the market. He said Tuesday's move was "a good bounce" off 1,200 on the Dow industrials and the market could soon test the 1,240 level.

(AP, UPI)

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

12 Month	High	Low	Open	Close	Change
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2
22 1/2	174 1/2	174 1/2	174 1/2	174 1/2	+1 1/2

117	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	254	25
-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	----







# Save 42%

And never miss an issue. By subscribing to the International Herald Tribune now, you can save almost half the newsstand price!

In most European countries, our special introductory discount of 25% off the regular subscription price means up to 42% off the newsstand price for a one-year subscription.

Moreover, you'll never miss an issue. And every day is fresh and different in the Trib. Breaking news from around the world, of course. But also special features and columns every day of the week.

- **American Topics** a careful selection of topical items for those who want to keep up with U.S. trends and currents, now appears on Monday and Saturday.

- **Hebe Dorsey covers Fashion** - and the people who make it - each Tuesday.

- **Wednesday features Insights**, a full page of thought-provoking articles that put the news into perspective. Plus **Rob Hughes on Soccer**, as well as **Business People**, also published on Friday.

- **The Science page**, which appears each Thursday, tracks the latest breakthroughs and discoveries.

Weekend, a sparkling leisure and travel section, brightens up Friday's paper.

And Saturday's **Arts and Leisure** page brings authoritative fine arts coverage from the art capitals of the world.

- On the back page, the ever popular **Art Buchwald** (Tuesday, Thursday and Saturday) alternates with Pulitzer Prize-winners **Russell Baker** (Wednesday and Friday) and linguist **William Safire** (Monday).

Every day of the week also brings a special column of interest to the business community. **Carl Gewirtz on Eurobonds, Futures and Options**. **Sherry Buchanan writing for The International Manager**. **Ed Rohrbach's Wall Street Watch**. **Technology**. **The Economic Scene** by **Leonard Silk**.

Send in the coupon below today. Don't wait. And, for maximum savings, subscribe for a full year, as normal subscription rates will apply after the initial introductory period.

Subscribe to the IHT today at special introductory rates and save up to 42% off the newsstand price. For new subscribers only.

To: Subscription Manager, International Herald Tribune, 181 avenue Charles de Gaulle, 92521 Neuilly Cedex, France. Tel.: 747.07.29. Telex: 612832.

Please circle below the time period and reduced subscription price selected. For new subscribers only. (Rates valid through April 30, 1988.)

Country	Currency	1 year	6 mos.	3 mos.
Austria	A. Sch.	3,220	1,610	890
Belgium	B. Fr.	7,300	3,650	2,000
Denmark	D.Kr.	1,500	750	410
Finland	F.M.	1,120	560	308
France	F.F.	1,000	500	280
Germany	D.M.	412	206	115
Great Britain	£	82	41	23
Greece	Dr.	12,400	6,200	3,450
Ireland	£. Ir.	104	52	29
Italy	Lire	218,000	108,000	59,000
Luxembourg	L.Fr.	7,300	3,650	2,000
Netherlands	Fl.	450	225	124
Norway	N. Kr.	1,160	580	320
Portugal	Esc.	11,200	5,600	3,080
Spain	Ptas	17,400	8,700	4,800
Sweden	S. Kr.	1,160	580	320
Switzerland	S. Fr.	372	186	102
The rest of Europe, North Africa, former French Africa, U.S.A., French Polynesia, Middle East.		\$	284	142
Rest of Africa, Canada, Latin America, Gulf States, Asia.		\$	396	198

☐ My payment is enclosed (Check or money order to the IHT)

Please charge my:

- ☐ Access ☐ Eurocard  
☐ American Express ☐ Mastercard  
☐ Diners Club ☐ Visa

Card account number

Card expiry date Signature

My name

Address

City

Country

Job/Profession

Nationality

Tel. N°

Telex

Yes, I would like to accept your bargain offer. Please send me the IHT each day for the time period and at the reduced price circled on this coupon.



WEDNESDAY

Blessed Are the Peasants

Some of the most interesting... the French... the MBA... the No. 1... the No. 2... the No. 3... the No. 4... the No. 5... the No. 6... the No. 7... the No. 8... the No. 9... the No. 10... the No. 11... the No. 12... the No. 13... the No. 14... the No. 15... the No. 16... the No. 17... the No. 18... the No. 19... the No. 20... the No. 21... the No. 22... the No. 23... the No. 24... the No. 25... the No. 26... the No. 27... the No. 28... the No. 29... the No. 30... the No. 31... the No. 32... the No. 33... the No. 34... the No. 35... the No. 36... the No. 37... the No. 38... the No. 39... the No. 40... the No. 41... the No. 42... the No. 43... the No. 44... the No. 45... the No. 46... the No. 47... the No. 48... the No. 49... the No. 50... the No. 51... the No. 52... the No. 53... the No. 54... the No. 55... the No. 56... the No. 57... the No. 58... the No. 59... the No. 60... the No. 61... the No. 62... the No. 63... the No. 64... the No. 65... the No. 66... the No. 67... the No. 68... the No. 69... the No. 70... the No. 71... the No. 72... the No. 73... the No. 74... the No. 75... the No. 76... the No. 77... the No. 78... the No. 79... the No. 80... the No. 81... the No. 82... the No. 83... the No. 84... the No. 85... the No. 86... the No. 87... the No. 88... the No. 89... the No. 90... the No. 91... the No. 92... the No. 93... the No. 94... the No. 95... the No. 96... the No. 97... the No. 98... the No. 99... the No. 100... the No. 101... the No. 102... the No. 103... the No. 104... the No. 105... the No. 106... the No. 107... the No. 108... the No. 109... the No. 110... the No. 111... the No. 112... the No. 113... the No. 114... the No. 115... the No. 116... the No. 117... the No. 118... the No. 119... the No. 120... the No. 121... the No. 122... the No. 123... the No. 124... the No. 125... the No. 126... the No. 127... the No. 128... the No. 129... the No. 130... the No. 131... the No. 132... the No. 133... the No. 134... the No. 135... the No. 136... the No. 137... the No. 138... the No. 139... the No. 140... the No. 141... the No. 142... the No. 143... the No. 144... the No. 145... the No. 146... the No. 147... the No. 148... the No. 149... the No. 150... the No. 151... the No. 152... the No. 153... the No. 154... the No. 155... the No. 156... the No. 157... the No. 158... the No. 159... the No. 160... the No. 161... the No. 162... the No. 163... the No. 164... the No. 165... the No. 166... the No. 167... the No. 168... the No. 169... the No. 170... the No. 171... the No. 172... the No. 173... the No. 174... the No. 175... the No. 176... the No. 177... the No. 178... the No. 179... the No. 180... the No. 181... the No. 182... the No. 183... the No. 184... the No. 185... the No. 186... the No. 187... the No. 188... the No. 189... the No. 190... the No. 191... the No. 192... the No. 193... the No. 194... the No. 195... the No. 196... the No. 197... the No. 198... the No. 199... the No. 200... the No. 201... the No. 202... the No. 203... the No. 204... the No. 205... the No. 206... the No. 207... the No. 208... the No. 209... the No. 210... the No. 211... the No. 212... the No. 213... the No. 214... the No. 215... the No. 216... the No. 217... the No. 218... the No. 219... the No. 220... the No. 221... the No. 222... the No. 223... the No. 224... the No. 225... the No. 226... the No. 227... the No. 228... the No. 229... the No. 230... the No. 231... the No. 232... the No. 233... the No. 234... the No. 235... the No. 236... the No. 237... the No. 238... the No. 239... the No. 240... the No. 241... the No. 242... the No. 243... the No. 244... the No. 245... the No. 246... the No. 247... the No. 248... the No. 249... the No. 250... the No. 251... the No. 252... the No. 253... the No. 254... the No. 255... the No. 256... the No. 257... the No. 258... the No. 259... the No. 260... the No. 261... the No. 262... the No. 263... the No. 264... the No. 265... the No. 266... the No. 267... the No. 268... the No. 269... the No. 270... the No. 271... the No. 272... the No. 273... the No. 274... the No. 275... the No. 276... the No. 277... the No. 278... the No. 279... the No. 280... the No. 281... the No. 282... the No. 283... the No. 284... the No. 285... the No. 286... the No. 287... the No. 288... the No. 289... the No. 290... the No. 291... the No. 292... the No. 293... the No. 294... the No. 295... the No. 296... the No. 297... the No. 298... the No. 299... the No. 300... the No. 301... the No. 302... the No. 303... the No. 304... the No. 305... the No. 306... the No. 307... the No. 308... the No. 309... the No. 310... the No. 311... the No. 312... the No. 313... the No. 314... the No. 315... the No. 316... the No. 317... the No. 318... the No. 319... the No. 320... the No. 321... the No. 322... the No. 323... the No. 324... the No. 325... the No. 326... the No. 327... the No. 328... the No. 329... the No. 330... the No. 331... the No. 332... the No. 333... the No. 334... the No. 335... the No. 336... the No. 337... the No. 338... the No. 339... the No. 340... the No. 341... the No. 342... the No. 343... the No. 344... the No. 345... the No. 346... the No. 347... the No. 348... the No. 349... the No. 350... the No. 351... the No. 352... the No. 353... the No. 354... the No. 355... the No. 356... the No. 357... the No. 358... the No. 359... the No. 360... the No. 361... the No. 362... the No. 363... the No. 364... the No. 365... the No. 366... the No. 367... the No. 368... the No. 369... the No. 370... the No. 371... the No. 372... the No. 373... the No. 374... the No. 375... the No. 376... the No. 377... the No. 378... the No. 379... the No. 380... the No. 381... the No. 382... the No. 383... the No. 384... the No. 385... the No. 386... the No. 387... the No. 388... the No. 389... the No. 390... the No. 391... the No. 392... the No. 393... the No. 394... the No. 395... the No. 396... the No. 397... the No. 398... the No. 399... the No. 400... the No. 401... the No. 402... the No. 403... the No. 404... the No. 405... the No. 406... the No. 407... the No. 408... the No. 409... the No. 410... the No. 411... the No. 412... the No. 413... the No. 414... the No. 415... the No. 416... the No. 417... the No. 418... the No. 419... the No. 420... the No. 421... the No. 422... the No. 423... the No. 424... the No. 425... the No. 426... the No. 427... the No. 428... the No. 429... the No. 430... the No. 431... the No. 432... the No. 433... the No. 434... the No. 435... the No. 436... the No. 437... the No. 438... the No. 439... the No. 440... the No. 441... the No. 442... the No. 443... the No. 444... the No. 445... the No. 446... the No. 447... the No. 448... the No. 449... the No. 450... the No. 451... the No. 452... the No. 453... the No. 454... the No. 455... the No. 456... the No. 457... the No. 458... the No. 459... the No. 460... the No. 461... the No. 462... the No. 463... the No. 464... the No. 465... the No. 466... the No. 467... the No. 468... the No. 469... the No. 470... the No. 471... the No. 472... the No. 473... the No. 474... the No. 475... the No. 476... the No. 477... the No. 478... the No. 479... the No. 480... the No. 481... the No. 482... the No. 483... the No. 484... the No. 485... the No. 486... the No. 487... the No. 488... the No. 489... the No. 490... the No. 491... the No. 492... the No. 493... the No. 494... the No. 495... the No. 496... the No. 497... the No. 498... the No. 499... the No. 500... the No. 501... the No. 502... the No. 503... the No. 504... the No. 505... the No. 506... the No. 507... the No. 508... the No. 509... the No. 510... the No. 511... the No. 512... the No. 513... the No. 514... the No. 515... the No. 516... the No. 517... the No. 518... the No. 519... the No. 520... the No. 521... the No. 522... the No. 523... the No. 524... the No. 525... the No. 526... the No. 527... the No. 528... the No. 529... the No. 530... the No. 531... the No. 532... the No. 533... the No. 534... the No. 535... the No. 536... the No. 537... the No. 538... the No. 539... the No. 540... the No. 541... the No. 542... the No. 543... the No. 544... the No. 545... the No. 546... the No. 547... the No. 548... the No. 549... the No. 550... the No. 551... the No. 552... the No. 553... the No. 554... the No. 555... the No. 556... the No. 557... the No. 558... the No. 559... the No. 560... the No. 561... the No. 562... the No. 563... the No. 564... the No. 565... the No. 566... the No. 567... the No. 568... the No. 569... the No. 570... the No. 571... the No. 572... the No. 573... the No. 574... the No. 575... the No. 576... the No. 577... the No. 578... the No. 579... the No. 580... the No. 581... the No. 582... the No. 583... the No. 584... the No. 585... the No. 586... the No. 587... the No. 588... the No. 589... the No. 590... the No. 591... the No. 592... the No. 593... the No. 594... the No. 595... the No. 596... the No. 597... the No. 598... the No. 599... the No. 600... the No. 601... the No. 602... the No. 603... the No. 604... the No. 605... the No. 606... the No. 607... the No. 608... the No. 609... the No. 610... the No. 611... the No. 612... the No. 613... the No. 614... the No. 615... the No. 616... the No. 617... the No. 618... the No. 619... the No. 620... the No. 621... the No. 622... the No. 623... the No. 624... the No. 625... the No. 626... the No. 627... the No. 628... the No. 629... the No. 630... the No. 631... the No. 632... the No. 633... the No. 634... the No. 635... the No. 636... the No. 637... the No. 638... the No. 639... the No. 640... the No. 641... the No. 642... the No. 643... the No. 644... the No. 645... the No. 646... the No. 647... the No. 648... the No. 649... the No. 650... the No. 651... the No. 652... the No. 653... the No. 654... the No. 655... the No. 656... the No. 657... the No. 658... the No. 659... the No. 660... the No. 661... the No. 662... the No. 663... the No. 664... the No. 665... the No. 666... the No. 667... the No. 668... the No. 669... the No. 670... the No. 671... the No. 672... the No. 673... the No. 674... the No. 675... the No. 676... the No. 677... the No. 678... the No. 679... the No. 680... the No. 681... the No. 682... the No. 683... the No. 684... the No. 685... the No. 686... the No. 687... the No. 688... the No. 689... the No. 690... the No. 691... the No. 692... the No. 693... the No. 694... the No. 695... the No. 696... the No. 697... the No. 698... the No. 699... the No. 700... the No. 701... the No. 702... the No. 703... the No. 704... the No. 705... the No. 706... the No. 707... the No. 708... the No. 709... the No. 710... the No. 711... the No. 712... the No. 713... the No. 714... the No. 715... the No. 716... the No. 717... the No. 718... the No. 719... the No. 720... the No. 721... the No. 722... the No. 723... the No. 724... the No. 725... the No. 726... the No. 727... the No. 728... the No. 729... the No. 730... the No. 731... the No. 732... the No. 733... the No. 734... the No. 735... the No. 736... the No. 737... the No. 738... the No. 739... the No. 740... the No. 741... the No. 742... the No. 743... the No. 744... the No. 745... the No. 746... the No. 747... the No. 748... the No. 749... the No. 750... the No. 751... the No. 752... the No. 753... the No. 754... the No. 755... the No. 756... the No. 757... the No. 758... the No. 759... the No. 760... the No. 761... the No. 762... the No. 763... the No. 764... the No. 765... the No. 766... the No. 767... the No. 768... the No. 769... the No. 770... the No. 771... the No. 772... the No. 773... the No. 774... the No. 775... the No. 776... the No. 777... the No. 778... the No. 779... the No. 780... the No. 781... the No. 782... the No. 783... the No. 784... the No. 785... the No. 786... the No. 787... the No. 788... the No. 789... the No. 790... the No. 791... the No. 792... the No. 793... the No. 794... the No. 795... the No. 796... the No. 797... the No. 798... the No. 799... the No. 800... the No. 801... the No. 802... the No. 803... the No. 804... the No. 805... the No. 806... the No. 807... the No. 808... the No. 809... the No. 810... the No. 811... the No. 812... the No. 813... the No. 814... the No. 815... the No. 816... the No. 817... the No. 818... the No. 819... the No. 820... the No. 821... the No. 822... the No. 823... the No. 824... the No. 825... the No. 826... the No. 827... the No. 828... the No. 829... the No. 830... the No. 831... the No. 832... the No. 833... the No. 834... the No. 835... the No. 836... the No. 837... the No. 838... the No. 839... the No. 840... the No. 841... the No. 842... the No. 843... the No. 844... the No. 845... the No. 846... the No. 847... the No. 848... the No. 849... the No. 850... the No. 851... the No. 852... the No. 853... the No. 854... the No. 855... the No. 856... the No. 857... the No. 858... the No. 859... the No. 860... the No. 861... the No. 862... the No. 863... the No. 864... the No. 865... the No. 866... the No. 867... the No. 868... the No. 869... the No. 870... the No. 871... the No. 872... the No. 873... the No. 874... the No. 875... the No. 876... the No. 877... the No. 878... the No. 879... the No. 880... the No. 881... the No. 882... the No. 883... the No. 884... the No. 885... the No. 886... the No. 887... the No. 888... the No. 889... the No. 890... the No. 891... the No. 892... the No. 893... the No. 894... the No. 895... the No. 896... the No. 897... the No. 898... the No. 899... the No. 900... the No. 901... the No. 902... the No. 903... the No. 904... the No. 905... the No. 906... the No. 907... the No. 908... the No. 909... the No. 910... the No. 911... the No. 912... the No. 913... the No. 914... the No. 915... the No. 916... the No. 917... the No. 918... the No. 919... the No. 920... the No. 921... the No. 922... the No. 923... the No. 924... the No. 925... the No. 926... the No. 927... the No. 928... the No. 929... the No. 930... the No. 931... the No. 932... the No. 933... the No. 934... the No. 935... the No. 936... the No. 937... the No. 938... the No. 939... the No. 940... the No. 941... the No. 942... the No. 943... the No. 944... the No. 945... the No. 946... the No. 947... the No. 948... the No. 949... the No. 950... the No. 951... the No. 952... the No. 953... the No. 954... the No. 955... the No. 956... the No. 957... the No. 958... the No. 959... the No. 960... the No. 961... the No. 962... the No. 963... the No. 964... the No. 965... the No. 966... the No. 967... the No. 968... the No. 969... the No. 970... the No. 971... the No. 972... the No. 973... the No. 974... the No. 975... the No. 976... the No. 977... the No. 978... the No. 979... the No. 980... the No. 981... the No. 982... the No. 983... the No. 984... the No. 985... the No. 986... the No. 987... the No. 988... the No. 989... the No. 990... the No. 991... the No. 992... the No. 993... the No. 994... the No. 995... the No. 996... the No. 997... the No. 998... the No. 999... the No. 1000... the No. 1001... the No. 1002... the No. 1003... the No. 1004... the No. 1005... the No. 1006... the No. 1007... the No. 1008... the No. 1009... the No. 1010... the No. 1011... the No. 1012... the No. 1013... the No. 1014... the No. 1015... the No. 1016... the No. 1017... the No. 1018... the No. 1019... the No. 1020... the No. 1021... the No. 1022... the No. 1023... the No. 1024... the No. 1025... the No. 1026... the No. 1027... the No. 1028... the No. 1029... the No. 1030... the No. 1031... the No. 1032... the No. 1033... the No. 1034... the No. 1035... the No. 1036... the No. 1037... the No. 1038... the No. 1039... the No. 1040... the No. 1041... the No. 1042... the No. 1043... the No. 1044... the No. 1045... the No. 1046... the No. 1047... the No. 1048... the No. 1049... the No. 1050... the No. 1051... the No. 1052... the No. 1053... the No. 1054... the No. 1055... the No. 1056... the No. 1057... the No. 1058... the No. 1059... the No. 1060... the No. 1061... the No. 1062... the No. 1063... the No. 1064... the No. 1065... the No. 1066... the No. 1067... the No. 1068... the No. 1069... the No. 1070... the No. 1071... the No. 1072... the No. 1073... the No. 1074... the No. 1075... the No. 1076... the No. 1077... the No. 1078... the No. 1079... the No. 1080... the No. 1081... the No. 1082... the No. 1083... the No. 1084... the No. 1085... the No. 1086... the No. 1087... the No. 1088... the No. 1089... the No. 1090... the No. 1091... the No. 1092... the No. 1093... the No. 1094... the No. 1095... the No. 1096... the No. 1097... the No. 1098... the No. 1099... the No. 1100... the No. 1101... the No. 1102... the No. 1103... the No. 1104... the No. 1105... the No. 1106... the No. 1107... the No. 1108... the No. 1109... the No. 1110... the No. 1111... the No. 1112... the No. 1113... the No. 1114... the No. 1115... the No. 1116... the No. 1117... the No. 1118... the No. 1119... the No. 1120... the No. 1121... the No. 1122... the No. 1123... the No. 1124... the No. 1125... the No. 1126... the No. 1127... the No. 1128... the No. 1129... the No. 1130... the No. 1131... the No. 1132... the No. 1133... the No. 1134... the No. 1135... the No. 1136... the No. 1137... the No. 1138... the No. 1139... the No. 1140... the No. 1141... the No. 1142... the No. 1143... the No. 1144... the No. 1145... the No. 1146... the No. 1147... the No. 1148... the No. 1149... the No. 1150... the No. 1151... the No. 1152... the No. 1153... the No. 1154... the No. 1155... the No. 1156... the No. 1157... the No. 1158... the No. 1159... the No. 1160... the No. 1161... the No. 1162... the No. 1163... the No. 1164... the No. 1165... the No. 1166... the No. 1167... the No. 1168... the No. 1169... the No. 1170... the No. 1171... the No. 1172... the No. 1173... the No. 1174... the



AMEX prices	P.12	Commodity reports	P.31
AMEX high/low	P.12	Foreign exchange	P.10
NYSE prices	P.8	Gold markets	P.9
NYSE high/low	P.8	Interest rates	P.9
Commodity prices	P.14	Market summary	P.9
Currency rates	P.9	Options	P.10
Commodities	P.10	OTC stock	P.12
Stocks	P.10	Other markets	P.12

WEDNESDAY, OCTOBER 31, 1984

# BUSINESS/FINANCE

## INTERNATIONAL MANAGER

### Blessings of Being an MBA Are Very Mixed in Europe

By SHERRY BUCHANAN  
International Herald Tribune

PARIS — The day on which holders of European Master in Business Administration degrees take over corporate Europe is still far off. There are only 1,500 European MBAs graduated a year, compared to 60,000 in the United States. And many large European multinationals don't want to hire MBAs, anyway. They're too expensive, they don't fit in and they're too arrogant, according to these companies, which generally prefer their own home-grown managers. "Old clichés die hard," says Jean-Pierre Salzman, director of communications at Insead, the European Institute of Business Administration.

On the other hand, many European MBAs don't want to work for the large European groups. They are attracted by U.S. companies offering more glamorous positions or by smaller European companies offering immediate responsibility. At Insead, which produces 20 percent of Europe's MBAs, 30 to 35 percent of the companies recruiting in June were subsidiaries of U.S. multinationals.

**If an MBA is given \$100 one day, he may show up the next day with \$200.**

But there are some recent MBA converts among large European companies: BASF AG, Hoechst AG, and Volkswagen AG of West Germany; Peugeot SA of France; and Imperial Chemical Industries Ltd. of Britain.

The companies are looking for brains in an MBA, but he or she must also be an international and entrepreneurial type. "What I like is the type of people at Insead. You have the feeling that if you drop some of them in the middle of nowhere with a \$100 they'll show up the next day with \$200," says Juergen F. Kammer, finance director at BASF AG.

If some large European companies are giving MBAs a try, others that are reorganizing into smaller business units, like British Petroleum PLC's group of companies, or that are growing fast, like Club Med, are also looking for MBAs. "You don't change a football team when they're winning," says Patricia Mortaigne of Club Med.

The No. 1 negative is that MBAs are expensive. "With the current recession, MBAs are an expensive luxury. A boom in MBAs has to reflect a general boom in the economy," says a BP spokesman.

Because European companies can't fire most people overnight, when they invest in an MBA they may be investing in an expensive commodity for the next 20 to 30 years.

The No. 2 negative is that MBAs don't fit in. What many European giants want are home-grown employees who are true believers in the company's corporate culture. "A big company has a culture of its own, so there is some difficulty with some MBA coming in," says a spokeswoman for Royal Dutch/Shell Group. Shell hires five to six MBAs a year.

Many companies have in-house programs to train the employee in the right culture, and in technical and management skills. Siemens AG, for instance, spends 500 million Deutsche Marks (\$163.4 million) a year on in-house training.

The No. 3 negative is that MBAs are too arrogant. "The MBA is usually an ass for the company, but sometimes [being] an MBA leads to too much ambition too soon, an overestimation of one's capabilities and of one's knowledge," says Michelle Remby, director of social development at Générale Biscuit, the French food group.

Operating within rigid hierarchical pay structures, companies often can't offer an MBA what he or she wants to earn or do. "We can't put an MBA into general management on day one. There is a conflict of interest there," says Roger Sleeman, group manager of staff development at BAT Industries PLC, the third largest British company in terms of sales.

Several British companies have what they call "high-flyer" programs. Instead of hiring an MBA, these companies select "high-flyers" with a few years experience in the company and then send them to middle management courses. It's less risky and it's less expensive.

### Japan Sets Big Trade Surplus

**Exports Rise 14.7% in Year**

Reuters

TOKYO — Japan's current account surplus widened sharply to \$4.35 billion in September from \$1.23 billion in August and compared with a \$2.66-billion surplus a year earlier, the Finance Ministry said Tuesday.

The current account measures trade in both merchandise and non-merchandise trade, such as services.

Japan's merchandise trade surplus in September widened to a record \$5.22 billion from \$2.27 billion in August, the ministry said. The previous record trade surplus was \$4.89 billion last June.

Exports climbed 14.7 percent from \$12.63 billion last September to \$14.48 billion, while imports rose slightly, from \$9.24 billion to \$9.26 billion.

"If this trend continues, we will have to watch out for more trade friction," an economist at a major Japanese bank said.

The United States, Europe and Japan's Asian neighbors have all been pressing Japan to take steps to reduce its trade surplus by further opening its markets to imports.

September's exports rose largely in response to the continued recovery of the world economy, especially in the United States, the economist said. Rising sales of electrical goods and cars accounted for much of the export growth, he said.

Japanese vehicle exports rose 5.6 percent in September from 482,200 units in September 1983 to 509,000 this September, the Japan Automobile Association said.

The September nonmerchandise trade deficit narrowed to \$774 million from \$896 million in August and compared with a year-earlier deficit of \$655 million.

Japan's economy is likely to soften in the near future, according to the leading indicator released Tuesday by the Economic Planning Agency, The Associated Press reported Tuesday from Tokyo.

An agency official, however, said he believes that temporary factors distorted the indicator into its most negative reading in 18 months.

The leading indicator for August, the latest reporting month, fell to 25, after holding at 50 for three straight months. According to the agency, a drop below 50 implies that the economy is weakening. The last time that the indicator fell below 50 was in February 1983.

An agency official cited several factors that he said temporarily made the indicator appear weaker. First was an influx of crude-oil imports in August, ahead of a tax increase on oil imports that went into effect Sept. 1. The import surge inflated data on raw-material inventories, he said. Also, domestic new-car registrations rose in August ahead of another tax boost in September, he said.

Business confidence remains low, but the employees' organization blamed this on the protracted coal miners' strike and the weakness of the pound. In its latest quarterly survey, the group said the economic recovery could continue for some time.

The survey of 1,653 companies was carried out during the first three weeks of October, before the threat of a strike by coalmine deputies was ended. Producer prices were expected to rise 0.4 percent from October to January, while employment in manufacturing industries was projected to fall 0.8 percent during this period.

But the CBI forecast that manufacturing investment would grow at a year-to-year rate of 16.2 percent in the first six months of 1985, after a 14.2-percent increase this year.

### Victoriana Pays Off at Laura Ashley

**British Country Fashions Enjoy Fast Growth Abroad**

By Leslie Wayne  
New York Times Service

CARNO, Wales — In this green countryside of rolling hills and picturesque cottages is the headquarters of a worldwide organization that has shoppers buzzing from Beverly Hills to Paris. It is Laura Ashley Ltd., a \$130-million-a-year business that glorifies Victoriana and has turned the clothes, wallpaper, sheets and similar trappings of a bygone British era into the profits of a new one.

Laura Ashley is a relative newcomer to the ranks of such top British exporters as Burberry coats, Jaguar cars and Wedgwood china. But the chain, which numbers 187 stores worldwide, has nearly doubled in size in the last four years and is growing even faster today.

Worldwide sales have averaged a sizzling 46-percent growth annually over the last decade, according to management. The U.S. market accounts for more than half the company's annual sales.

In the United States, no British retailer has as extensive a network of stores as Laura Ashley. There are 48 shops — the first opened in 1974 — and 15 more are scheduled to open each year for the foreseeable future.

The attraction is clear: Laura Ashley's U.S. stores ring up sales per square foot that are five, and sometimes even 10 times higher than retailing norms in the United States. Moreover, the company seems to have attracted affluent customers wherever it locates.

This record has not gone unnoticed. While British entrepreneurship has flagged in recent years, Laura Ashley is one example often cited by Prime Minister Margaret Thatcher of a company that has triumphed despite the general malaise.

"If you've got the formula right, you can just use it out," said John James, managing director. Whether this formula will remain correct is, of course, the question facing Laura Ashley. The private company must manage explosive growth while maintaining the tight control and personal



Peter S. Phillips, finance director, top, and John James, managing director.

touch that has marked its operation through its 30-year history.

That may not be easy. Expansion is taking Laura Ashley into new and untrodden markets — Japan, for instance — where the ways of doing business are far different. And, the company must begin to examine whether it is in danger of oversaturation, especially in the U.S. market. Already, Laura Ashley is finding it tougher to come up with store locations that do not cannibalize sales at existing stores.

Even more central to Laura Ashley's future is the question of the depth of its appeal: In today's

(Continued on Page 13, Col. 3)

### New-Home Sales In U.S. Increase Sharp 21.9%

Compiled by Our Staff From Department of Commerce

WASHINGTON — Sales of new homes in the United States, led by a sharp increase in activity in the South, soared 21.9 percent in September, the highest increase in more than four years, the Commerce Department said Tuesday.

Single-family homes were sold at a seasonally adjusted annual rate of 679,000 in the month, compared to an August rate of 557,000. It was the largest gain since a 26.8 percent increase from April to May 1980.

The new increase came mainly from Southern states, where sales were up 52 percent during last month. It was only the second gain in the last seven months.

Sales had been sluggish since February, with housing analysts blaming higher interest rates for the slowdown.

U.S. interest rates have edged down slightly since their average peak of 15.2 percent in July. Fixed-rate loans stood at 14.91 percent in early September, the first time they have been below 15 percent in three months.

The strong showing for sales followed an increase in construction activity during September. New-home starts rose by 8.9 percent in the month.

When those figures were reported earlier, analysts cautioned against expecting a new housing

boom. They said rates were still too high and predicted that housing activity would show little movement in the coming months.

Nevertheless, Tuesday's set of figures generally surprised housing-industry analysts, who were expecting only a slight improvement for the month.

Builders are encouraged by the increase in sales and so start new houses in greater numbers, a trend that spreads jobs and demand throughout the entire economy, according to some analysts.

The strong September sales gain followed an August decline of 8.8 percent. The rebound left sales at their highest rate since March and 14 percent above a year earlier.

The South, which in recent years has accounted for half the new homes built, saw sales climb to an annual rate of 386,000. Sales were up 3.1 percent in the West, but were down 13.9 percent in the Midwest and 5 percent lower in the Northeast.

The average price of a new home climbed about \$100,000 again. It was \$101,100 in September, up 4.9 percent from the August level. The median price of a new home was \$80,000 last month, only a slight increase from the \$79,700 of August.

The average price of a new house reached its peak in May, at \$101,900 and then slipped back in June, July and August to \$95,400. But almost all the decline was made up in one \$4,700 step up in September.

"Median" means half the homes sold for more than that figure; half for less. (AP, UPI)

■ Personal Income Rises

The Commerce Department has said that Americans' average personal income rose a healthy 2.1 percent in the second quarter. The Associated Press reported.

The income setbacks for the farm states were blamed on the ending of the government's "payment-in-kind" crop-subsidy program. Residents of North Dakota were the hardest hit, with their overall average income down 8.1 percent, the department said Monday.

There also were declines of 3 percent in Montana, 2.7 percent in Nebraska, 1.6 percent in Iowa, 0.5 percent in South Dakota and 0.02 percent in Mississippi.

Residents of Georgia and Vermont, however, saw their second-quarter incomes go up by 3.6 percent — mainly because of manufacturing and construction payroll increases that were double the national average.

Nationwide, the 2.1-percent income gain was considered substantial because inflation remained low. Prices, by one measure, rose only 0.5 percent from April through June, meaning that Americans were able to retain the bulk of the increase in earnings.

(UPI, AP)

### Earnings Fall Reagan Claims That New Legislation At Texaco, Chevron Will Lead to Free and Fairer Trade

Compiled by Our Staff From Department of Commerce

WASHINGTON — President Ronald Reagan Tuesday signed into law an omnibus trade bill that he said "stands four-square behind free and fairer trade."

The legislation increases his authority to negotiate the lowering of trade barriers with other countries or to retaliate by imposing restrictions.

At the same time, the bill clarifies and in some areas adds to the president's authority to retaliate against what is deemed to be unfair trade practices of other countries.

The new legislation allows the president to deny licenses to banks or other services owned by countries that maintain barriers against U.S. services, without going through normal regulatory agencies.

The bill also could pave the way for some kind of new trade agreement with Canada since that one planned with Israel except that it would deal with only some products. The government of Prime Minister Brian Mulroney has indicated to the United States it is interested in the deal.

Tariff preferences that the United States now gives to about 140 developing countries are extended for eight and a half years. The legislation also gives the president new flexibility to use these as a bargaining tool to persuade the more advanced developing countries to lower trade barriers.

The bill expresses the "sense of Congress" that the president should, through agreements with

other countries, reduce steel imports from their recent 25 percent of the U.S. market to between 17 percent and 20.2 percent.

The measure also authorizes him to "enforce" those agreements, provided the domestic industry takes steps to modernize.

It directs the president to negotiate lower barriers to shipments of U.S. wine. If that does not work, it encourages him to impose barriers on U.S. imports of foreign wine.

The legislation represents a compromise between pressures from U.S. industries suffering job losses from foreign competition and from businesses wanting to uphold the U.S. free-trade tradition.

The compromise seeks to avert foreign retaliation against U.S. exports and to help U.S. consumers benefit from attractive foreign prices.

The bill sets a national policy for the U.S. steel industry, urging that cash flow be devoted to modernize steel production in order to promote a more competitive situation.

Congress slightly changed the targets set by Mr. Reagan earlier this year on imported steel.

(UPI, AP)

are "performance requirements." Particularly common in developing countries, performance requirements mean a foreign investor who wants to open a plant in a country must make certain promises, for example, to provide a minimum number of jobs for local citizens or to export part of the product to bring in foreign exchange.

The bill, passed this month in the last days of Congress, also authorizes the president to negotiate a "free trade area" with Israel, under which tariffs and other trade barriers could be lowered or eliminated.

Under the bill, the president also could negotiate such agreements with any other country, providing appropriate congressional committees are notified. Any agreement would require final congressional approval under a procedure speeding up the legislative process.

The bill also authorizes whoever occupies the White House to negotiate lower barriers to trade in services — such as banking, construction and data processing — and in high technology products and in flows of investment.

Examples of investment barriers the president could seek to reduce

Texaco's chairman, John K. McKinley, said the company's third quarter performance was "adversely" impacted by the continuing worldwide overcapacity conditions, which have severely depressed operating margins.

Texaco had an \$87-million loss in the latest quarter on worldwide refining and marketing operations compared to a \$55-million loss a year earlier. Exploration and production earnings fell to \$37 million from \$44 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

Chevron's chairman, George Keller, blamed the earnings decline on erosion of the company's refining and marketing margins.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

U.S. refining and marketing operations recorded a \$52-million loss in the latest quarter, compared to a \$101-million loss in the 1983 third quarter. Overseas operations in this sector showed a \$16-million profit decline. Chevron's worldwide exploration and production earnings fell to \$377 million from \$417 million in the quarter last year.

### Currency Rates

Latest interbank rates on Oct. 30, excluding fees.  
Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates at 4 P.M. EDT.

	\$	£	D.M.	F.F.	IL.	Ghs.	S.P.	Yen
Amsterdam	3.464	4.167	112.245	34.29	6.8119	5.584	172.10	160.29
Brussels	41.61	74.67	20.195	6.870	2.2545	17.72	34.56	25.144
Frankfurt	3.625	3.497	—	32.41	1.413	88.67	4.954	171.21
London	1.782	—	—	—	—	—	—	—
Madrid	169.50	2,292.50	680.48	202.35	—	58.84	30.71	753.75
New York	—	1.2118	1.2088	9.32	1.883.08	3.428	61.405	2,891.5
Paris	6.495	11.242	304.52	—	4.4745	37.04	15.187	37.23
Tokyo	345.80	277.09	80.30	34.30	12.81	71.36	294.30	77.91
Zurich	2.518	3.0417	82.27	36.335	0.1326	72.97	4.0725	—
1 ECU	0.7995	0.6029	2.2285	6.8349	1.2632	2.514	45.048	1,240
1 SDR	0.99358	0.82254	3.0485	9.7534	1.8349	3.441	61.372	149.239

1 Sterling = 1.496 Irish £  
1 Commercial Unit (CU) = Amounts needed to buy one pound (1) Units of 100,000  
N.A.: not quoted; N.A.: not available.

### Interest Rates

Eurocurrency Deposits Oct. 30

	Dollar	D-Mark	Swiss Franc	Shilling	French Franc	ECU	SDR
1M	9 1/4 - 9 1/2	5 1/4 - 5 1/2	4 1/4 - 4 1/2	10 1/4 - 10 1/2	10 1/4 - 10 1/2	9 1/4 - 9 1/2	8 1/4 - 8 1/2
3M	10 1/4 - 10 1/2	5 1/4 - 5 1/2	4 1/4 - 4 1/2	10 1/4 - 10 1/2	10 1/4 - 10 1/2	9 1/4 - 9 1/2	8 1/4 - 8 1/2
6M	10 1/4 - 10 1/2	5 1/4 - 5 1/2	4 1/4 - 4 1/2	10 1/4 - 10 1/2	10 1/4 - 10 1/2	9 1/4 - 9 1/2	8 1/4 - 8 1/2
1Y	11 1/4 - 11 1/2	5 1/4 - 5 1/2	4 1/4 - 4 1/2	10 1/4 - 10 1/2	10 1/4 - 10 1/2	9 1/4 - 9 1/2	8 1/4 - 8 1/2

Rates applicable to interbank deposits of \$1 million minimum (or equivalent).

### Asian Dollar Rates

Oct. 30

	1 mo.	3 mos.	6 mos.	1 yr.
10% - 10%	10% - 10%	10% - 10%	10% - 10%	10% - 10%







## BUSINESS ROUNDUP

## Autoworkers End Strike Against GM in Canada

**The Associated Press**  
**TORONTO** — As 36,000 Canadian autoworkers started back to work Tuesday after ending their two-week strike against General Motors Corp. of Canada, more than 40,000 U.S. employees were still laid off because of the walkout.

But a GM spokesman in Detroit said he hoped the U.S. workers would be back at work by the end of the week. That's what we're hoping.

"We have to get the 'pipeline' filled, get the system of parts moving so we can get everything assembled," said the spokesman, Don Postma.

Robert White, Canadian director for the UAW, said Monday that the new agreement with GM is a sign that "the days of rubber-stamping a U.S. agreement are now gone."

The workers, who struck Oct. 17, are "relieved and glad to be going back to work," Mr. White said. "I wanted the workers going back to the plants happy with the settlement. It's important for quality and other things. I was surprised it took GM so long to recognize our seriousness."

The contract gives GM workers an average raise of 2.25 percent in the first year — the same as in the United States — plus a "special Canadian adjustment" of 25 cents per hour.

Unlike their U.S. counterparts, the Canadian workers will not get lump-sum payments in the contract's second and third years and will not participate in profit sharing. Both agreements include cost-of-living protection.

"I think it's a pretty good contract," Bill Whitfield, a GM assembler, said as he left the voting session on the offer in Oshawa, Ontario.

The UAW said Tuesday that 64 percent of its members approved a new three-year pact with Ford in the United States.

During the GM negotiations, talks with Ford's Canadian subsidiary were put aside. Mr. White said he would begin this week to talk with the UAW's Ford bargaining committee about setting a strike date and resuming negotiations.

## U.S. Steel Says Profits Soared

**The Associated Press**

**PITTSBURGH** — U.S. Steel Corp. said Tuesday that its third-quarter profit rose nearly threefold to \$153 million, or \$1.15 a share, on a healthy turnaround in the diversified company's steel segment.

The largest U.S. steel producer posted net earnings of \$52 million, or 27 cents a share, on sales of \$4.6 billion in the previous quarter. The latest quarterly profits came on sales of \$4.7 billion.

Steel and related businesses had quarterly operating profit of \$81 million on sales of \$1.6 billion, compared to a loss of \$118 million on sales of \$1.5 billion in the 1983 period. Oil and gas profits, before foreign income taxes, tumbled 33 percent from \$473 million on \$2.5 billion in 1983's third quarter sales to \$315 million on \$2.5 billion in sales in this year's third quarter. U.S. Steel owns Marathon Oil Corp.

## COMPANY NOTES

Baldwin-United Corp. moved closer to the sale of a chain of Colorado banks to Ameritrust Corp. after a federal bankruptcy judge turned down a request to temporarily block the sale, saying that a delay could run the deal and pose a "real threat" to Baldwin-United's survival.

Boeing Co. said United Technologies Corp.'s Pratt & Whitney PW-207 engine has been certified by the U.S. Federal Aviation Administration to power the 757 twinjet. The company said Delta Air Lines Inc., the launch customer for the engine, will take delivery of the first of 60 model 757s equipped with the engine later this week.

Fisons PLC said it has bought the remaining 33-percent minority interest in Haake Buchler Instruments Inc. of New Jersey for \$2.6 million from Swedish Incentive Group AB of Sweden. Fisons already held the other shares in Haake Buchler, which makes viscosity instruments.

Hong Leong Co., the Hong Kong subsidiary of the Hong Leong group of Malaysia, has entered into equal partnership with three Chinese companies in a hotel project in Fuzhou, Fujian, China. Construction on the \$16-million project has just begun. The 300-room hotel is expected to open in late 1986, he said.

Isuzu Motors Ltd., an affiliate of General Motors Corp. of the United States, said it plans to develop off-efficient, all-ceramic, turbo-compound engines for cars. It said the engine, with a displacement of

## Midland Agrees on Plan To Buy Rest of Crocker

**By Barnaby Feder**  
**New York Times Service**

**LONDON** — Midland Bank PLC Tuesday agreed with its Crocker National Corp. subsidiary on terms that will raise its stake in the San Francisco-based bank-holding company from 57 percent to 100 percent.

The heart of the agreement is similar to that proposed by Midland in July, a swap of new Crocker preferred shares funded by Midland for the more than 8 million Crocker common shares in other hands.

However, after negotiations with an independent committee appointed by Crocker's board, Midland sweetened the earlier offer, valued at \$25 a share, to \$30 a share. It also introduced a plan that will give holders of the new preferred shares up to \$3 a share more if Crocker earns substantial profits in the next three years.

The agreement also includes provision for holders of existing convertible notes to obtain the pre-

ferred shares and sets aside \$1.75 million to settle litigation commenced by Crocker shareholders.

The immediate value of the share exchange would be just under \$250 million and the total potential cost to Midland to about \$300 million. Midland paid \$830 million for its present holding, most of which it acquired in 1981.

The plan is contingent on approval of Midland's shareholders and a majority of the 43 percent of Crocker shares not in Midland's hands. Analysts in London said that the plan was a reasonable one for all concerned and predicted that it would be accepted.

"This transaction will enable us to integrate Crocker into the Midland group's operations and strategy and will, we are confident, improve the timescale of Crocker's return to full profitability," said Sir Donald Barron, Midland's chairman, in the bank's official statement Tuesday.

The new preferred shares will carry a quarterly dividend that will initially be set at a level calculated to let the shares be trading at 90 percent of face value. The agreement includes provisions to allow Crocker to call in the shares — and Midland to purchase them — at a price above face value during the first 10 years and at par thereafter.

Midland, which is Britain's third-largest bank after Barclays Bank PLC and National Westminster Bank PLC, said it sought full control of Crocker, whose Crocker National Bank is the 13th largest U.S. bank, after massive losses at the California bank.

Since the end of last year, Midland has been steadily tightening its grip on Crocker's affairs. First, John Harris, former head of Midland's international operations, was sent to San Francisco to take over as the deputy chairman of the holding company, and then, in March, Frank V. Calhoun was recruited from Security Pacific Corp. in Los Angeles to become the new chief executive of the bank.

Standard Chartered Bank, which acquired California-based Union Bank in 1979, is the only British bank among several that invested in the U.S. in recent years to have profited substantially from it. Midland arrived last on the scene and made by far the biggest acquisition. While the others are regarded as disappointments by analysts here, Crocker has been a nightmare that has caused Midland's earnings to lag behind those of its chief rivals.

Largely because of Crocker, Midland's pre-tax profits fell 49 percent to the equivalent of \$34.7 million during the first half of this year despite a 16 percent increase in domestic profits to the equivalent of \$174 million.

## Pepsico Says Its President Has Resigned

**Reuters**

**PURCHASE, New York** — Pepsico Inc. said Tuesday that Andrall E. Pearson has resigned as president and chief operating officer.

He will join the Harvard University Graduate School of Business Administration as a professor, the company said.

Pepsico said D. Wayne Calloway, 49, now executive vice president and chief financial officer, will succeed Mr. Pearson in the post.

Pepsico said Mr. Pearson, 59, will continue on the corporation's board.

## Pharmacia Says It Has Named 4 To Jobs Abroad

**By Brenda Haggerty**  
**International Herald Tribune**

**LONDON** — Pharmacia AB, the Swedish pharmaceutical, diagnostic and biotechnology company, has announced the appointment of four managers for its international operations.

Ro Rosendahl will be responsible for establishing Pharmacia's operations in Spain, where the company is forming various joint ventures with Spanish partners. Mr. Rosendahl will "most probably" be based in Barcelona.

Succeeding him as president of Pharmacia International will be Sven-Olle Nilsson. Pharmacia International is responsible for the company's operations in countries where it does not have subsidiaries.

Mr. Nilsson will be succeeded as president of Pharmacia Australia by Bengt Norman. Mr. Norman will move to Sydney from Montreal, where he is president of Pharmacia Canada. He will be succeeded by Mike Gendahl, who is based in Paris with Pharmacia France, as business-development manager. The appointments are effective Jan. 1.

**Novo Industri Creates New High-Level Position**

Novo Industri A/S has appointed Niels W. Holm, 51, to the new post of chief operating officer, a move aimed at strengthening the Danish pharmaceutical group's top management.

Mads Olvsen, Novo's chief executive officer, said, "One of my key priorities has been to strengthen Novo's management team." He said Mr. Holm's "strong technical background and proven manage-

ment experience will be an important asset to our operating divisions."

Mr. Holm currently is president of Danish Steelworks Ltd. and is expected to join Novo as soon as he is released from his present duties.

Commonwealth Bank of Australia said it plans to open a representative office in Frankfurt early next year and has named Ronald F. Bachmann chief representative. He currently is chief manager of the bank's corporate division in the Sydney head office. Formerly, he was general manager of Australian European Finance Corp. of Sydney.

V.T. Christie, managing director of Commonwealth Bank of Australia, said the move would enable the bank to expand its activities in Europe. The bank has a branch in London from which it directs its European operations.

Oesterreichische Landesbank AG of Vienna has appointed Gerhard Wagner director general and chairman of the managing board. He succeeds Franz Vranitzky, who has been appointed finance minister of Austria.

Philip Morris Inc. has named Stephen C. Darrah vice president-operations of Philip Morris/EFC Region. Mr. Darrah, who is based in Lausanne, succeeds Mark Serrano, who has joined Philip Morris USA as executive vice president.

Mr. Darrah was director-manufacturing at Philip Morris Holland. Philip Morris, with headquarters in New York, is involved in tobacco products, brewing, soft drinks, specialty paper, packaging materials and community development.

Standard Telephones & Cables PLC has appointed Robb Wilmont, chairman of the British computer company ICL PLC, to its board. The appointment follows the merger of the two companies last month.

Gota (UK) Ltd., the London-based subsidiary of Götabanken of Stockholm, has appointed Eric Carter a non-executive director. Mr. Carter is a former deputy group chief executive (international business) of National Westminster Bank PLC, where he is a director.

Consolidated Freightways Inc. has named Gerhard Liener, a member of the management board of Daimler-Benz AG, as a director. Consolidated Freightways is a California-based provider of transportation services.

County Bank Ltd., the London-based merchant-banking arm of National Westminster Bank PLC, said Aule Delamare de Bouret has joined the bank as an assistant director of the capital markets division, with responsibility for Continental Illinois Ltd. in London.

Russell Reynolds Associates Inc., the New York-based executive search firm, has opened an office in Sydney. It named Dennis F. McDonald managing director and Michael K.R. Willis executive director.



Lewis L. Gluckman

## Fireman's Picks Gluckman

**New York Times Service**

**NEW YORK** — Lewis L. Gluckman, who last April was ousted as chief executive officer at Lehman Brothers Kuhn Loeb, when the investment bank's board agreed to sell the firm to Shearson-American Express for \$360 million, has gotten a vote of confidence from the new employees.

Fireman's Fund Insurance Companies, a subsidiary of what is now Shearson Lehman American Express, said Monday that Mr. Gluckman, 55, had been named an executive vice president in charge of an expanded financial insurance group. He will be based in New York.

Since last June, Mr. Gluckman has been a senior adviser to Sanford I. Weill, president of American Express, as well as a senior adviser to the Fireman's Fund, said David B. Kalis, a Fireman's Fund spokesman.

Standard Telephones & Cables PLC has appointed Robb Wilmont, chairman of the British computer company ICL PLC, to its board. The appointment follows the merger of the two companies last month.

Gota (UK) Ltd., the London-based subsidiary of Götabanken of Stockholm, has appointed Eric Carter a non-executive director. Mr. Carter is a former deputy group chief executive (international business) of National Westminster Bank PLC, where he is a director.

Consolidated Freightways Inc. has named Gerhard Liener, a member of the management board of Daimler-Benz AG, as a director. Consolidated Freightways is a California-based provider of transportation services.

County Bank Ltd., the London-based merchant-banking arm of National Westminster Bank PLC, said Aule Delamare de Bouret has joined the bank as an assistant director of the capital markets division, with responsibility for Continental Illinois Ltd. in London.

Russell Reynolds Associates Inc., the New York-based executive search firm, has opened an office in Sydney. It named Dennis F. McDonald managing director and Michael K.R. Willis executive director.

**Gold Options** (prices in \$ and cts)  
 30 475 575 1500 1700 2300 2450  
 30 150 200 250 300 350 400  
 30 400 450 500 550 600 650  
 30 650 700 750 800 850 900  
 30 900 950 1000 1050 1100 1150  
 30 1150 1200 1250 1300 1350 1400  
 30 1400 1450 1500 1550 1600 1650  
 30 1650 1700 1750 1800 1850 1900  
 30 1900 1950 2000 2050 2100 2150  
 30 2150 2200 2250 2300 2350 2400  
 30 2400 2450 2500 2550 2600 2650  
 30 2650 2700 2750 2800 2850 2900  
 30 2900 2950 3000 3050 3100 3150  
 30 3150 3200 3250 3300 3350 3400  
 30 3400 3450 3500 3550 3600 3650  
 30 3650 3700 3750 3800 3850 3900  
 30 3900 3950 4000 4050 4100 4150  
 30 4150 4200 4250 4300 4350 4400  
 30 4400 4450 4500 4550 4600 4650  
 30 4650 4700 4750 4800 4850 4900  
 30 4900 4950 5000 5050 5100 5150  
 30 5150 5200 5250 5300 5350 5400  
 30 5400 5450 5500 5550 5600 5650  
 30 5650 5700 5750 5800 5850 5900  
 30 5900 5950 6000 6050 6100 6150  
 30 6150 6200 6250 6300 6350 6400  
 30 6400 6450 6500 6550 6600 6650  
 30 6650 6700 6750 6800 6850 6900  
 30 6900 6950 7000 7050 7100 7150  
 30 7150 7200 7250 7300 7350 7400  
 30 7400 7450 7500 7550 7600 7650  
 30 7650 7700 7750 7800 7850 7900  
 30 7900 7950 8000 8050 8100 8150  
 30 8150 8200 8250 8300 8350 8400  
 30 8400 8450 8500 8550 8600 8650  
 30 8650 8700 8750 8800 8850 8900  
 30 8900 8950 9000 9050 9100 9150  
 30 9150 9200 9250 9300 9350 9400  
 30 9400 9450 9500 9550 9600 9650  
 30 9650 9700 9750 9800 9850 9900  
 30 9900 9950 10000 10050 10100 10150  
 30 10150 10200 10250 10300 10350 10400  
 30 10400 10450 10500 10550 10600 10650  
 30 10650 10700 10750 10800 10850 10900  
 30 10900 10950 11000 11050 11100 11150  
 30 11150 11200 11250 11300 11350 11400  
 30 11400 11450 11500 11550 11600 11650  
 30 11650 11700 11750 11800 11850 11900  
 30 11900 11950 12000 12050 12100 12150  
 30 12150 12200 12250 12300 12350 12400  
 30 12400 12450 12500 12550 12600 12650  
 30 12650 12700 12750 12800 12850 12900  
 30 12900 12950 13000 13050 13100 13150  
 30 13150 13200 13250 13300 13350 13400  
 30 13400 13450 13500 13550 13600 13650  
 30 13650 13700 13750 13800 13850 13900  
 30 13900 13950 14000 14050 14100 14150  
 30 14150 14200 14250 14300 14350 14400  
 30 14400 14450 14500 14550 14600 14650  
 30 14650 14700 14750 14800 14850 14900  
 30 14900 14950 15000 15050 15100 15150  
 30 15150 15200 15250 15300 15350 15400  
 30 15400 15450 15500 15550 15600 15650  
 30 15650 15700 15750 15800 15850 15900  
 30 15900 15950 16000 16050 16100 16150  
 30 16150 16200 16250 16300 16350 16400  
 30 16400 16450 16500 16550 16600 16650  
 30 16650 16700 16750 16800 16850 16900  
 30 16900 16950 17000 17050 17100 17150  
 30 17150 17200 17250 17300 17350 17400  
 30 17400 17450 17500 17550 17600 17650  
 30 17650 17700 17750 17800 17850 17900  
 30 17900 17950 18000 18050 18100 18150  
 30 18150 18200 18250 18300 18350 18400  
 30 18400 18450 18500 18550 18600 18650  
 30 18650 18700 18750 18800 18850 18900  
 30 18900 18950 19000 19050 19100 19150  
 30 19150 19200 19250 19300 19350 19400  
 30 19400 19450 19500 19550 19600 19650  
 30 19650 19700 19750 19800 19850 19900  
 30 19900 19950 20000 20050 20100 20150  
 30 20150 20200 20250 20300 20350 20400  
 30 20400 20450 20500 20550 20600 20650  
 30 20650 20700 20750 20800 20850 20900  
 30 20900 20950 21000 21050 21100 21150  
 30 21150 21200 21250 21300 21350 21400  
 30 21400 21450 21500 21550 21600 21650  
 30 21650 21700 21750 21800 21850 21900  
 30 21900 21950 22000 22050 22100 22150  
 30 22150 22200 22250 22300 22350 22400  
 30 22400 22450 22500 22550 22600 22650  
 30 22650 22700 22750 22800 22850 22900  
 30 22900 22950 23000 23050 23100 23150  
 30 23150 23200 23250 23300 23350 23400  
 30 23400 23450 23500 23550 23600 23650  
 30 23650 23700 23750 23800 23850 23900  
 30 23900 23950 24000 24050 24100 24150  
 30 24150 24200 24250 24300 24350 24400  
 30 24400 24450 24500 24550 24600 24650  
 30 24650 24700 24750 24800 24850 24900  
 30 24900 24950 25000 25050 25100 25150  
 30 25150 25200 25250 25300 25350 25400  
 30 25400 25450 25500 25550 25600 25650  
 30 25650 25700 25750 25800 25850 25900  
 30 25900 25950 26000 26050 26100 26150  
 30 26150 26200 26250 26300 26350 26400  
 30 26400 26450 26500 26550 26600 26650  
 30 26650 26700 26750 26800 26850 26900  
 30 26900 26950 27000 27050 27100 27150  
 30 27150 27200 27250 27300 27350 27400  
 30 27400 27450 27500 27550 27600 27650  
 30 27650 27700 27750 27800 27850 27900  
 30 27900 27950 28000 28050 28100 28150  
 30 28150 28200 28250 28300 28350 28400  
 30 28400 28450 28500 28550 28600 28650  
 30 28650 28700 28750 28800 28850 28900  
 30 28900 28950 29000 29050 29100 29150  
 30 29150 29200 29250 29300 29350 29400  
 30 29400 29450 29500 29550 29600 29650  
 30 29650 29700 29750 29800 29850 29900  
 30 29900 29950 30000 30050 30100 30150  
 30 30150 30200 30250 30300 30350 30400  
 30 30400 30450 30500 30550 30600 30650  
 30 30650 30700 30750 30800 30850 30900  
 30 30900 30950 31000 31050 31100 31150  
 30 31150 31200 31250 31300 31350 31400  
 30 31400 31450 31500 31550 31600 31650  
 30 31650 31700 31750 31800 31850 31900  
 30 31900 31950 32000 32050 32100 32150  
 30 32150 32200 32250 32300 32350 32400  
 30 32400 32450 32500 32550 32600 32650  
 30 32650 32700 32750 32800 32850 32900  
 30 32900 32950 33000 33050 33100 33150  
 30 33150 33200 33250 33300 33350 33400  
 30 33400 33450 33500 33550 33600 33650  
 30 33650 33700 33750 33800 33850 33900  
 30 33900 33950 34000 34050 34100 34150  
 30 34150 34200 34250 34300 34350 34400  
 30 34400 34450 34500 34550 34600 34650  
 30 34650 34700 34750 34800 34850 34900  
 30 34900 34950 35000 35050 35100 35150  
 30 35150 35200 35250 35300 35350 35400  
 30 35400 35450 35500 35550 35600 35650  
 30 35650 35700 35750 35800 35850 35900  
 30 35900 35950 36000 36050 36100 36150  
 30 36150 36200 36250 36300 36350 36400  
 30 36400 36450 36500 36550 36600 36650  
 30 36650 36700 36750 36800 36850 36900  
 30 36900 36950 37000 37050 37100 37150  
 30 37150 37200 37250 37300 37350 37400  
 30 37400 37450 37500 37550 37600 37650  
 30 37650 37700 37750 37800 37850 37900  
 30 37900 37950 38000 38050 38100 38150  
 30 38150 38200 38250 38300 38350 38400  
 30 38400 38450 38500 38550 38600 38650  
 30 38650 38700 38750 38800 38850 38900



Tables include the nationwide price up to the closing on Wall Street

[illegible]**NASDAQ National Market Prices**[illegible][illegible]



## Ex-IBH Chief To Stand Trial

By Alan Riding  
New York Times Service

FRANKFURT—Hans-Dieter Esch, founder and former chief executive of IBH Holding AG, will stand trial next month on charges of breach of trust and violation of company law, the senior public prosecutor in Hanau, West Germany, said.

It was announced last December that Mr. Esch was being investigated for possibly waiting too long to file a bankruptcy petition for IBH, which was the world's third largest construction-equipment company.

His trial, scheduled for Nov. 29, will center on his activities as head of the supervisory board of Wiba AG, an IBH subsidiary. Mr. Esch faces a maximum prison sentence of 11 years if convicted of the charges against him, the prosecutor said Monday.

## Brazil's Feat in Building Itaipu Dam Is Tempered by Doubts Over Cost

By Alan Riding  
New York Times Service

FOZ DO IGUAÇU, Brazil — After more than a decade of construction work, the huge Itaipu hydroelectric plant on the Paraná River between Brazil and Paraguay has begun power transmissions amid continuing controversy over its size, cost and timing.

When all its 18 generators are installed by 1990, the plant's 12,600-megawatt capacity will make it the world's largest electrical generating station. Including the cost of 500-mile (805-kilometer) transmission lines, the final bill will be over \$18 billion.

Last Thursday, standing on a platform below the dam, 4.5 miles wide, President João Baptista Figueiredo of Brazil and President Alfredo Stroessner of Paraguay formally inaugurated Itaipu's first two 700-megawatt generators, which in January will begin providing electricity on a commercial basis to both Paraguay and the Brazilian metropolis of São Paulo.

But the Brazilian government's satisfaction at having achieved an extraordinary engineering feat, albeit one year behind schedule, was tempered by persistent criticism of the project. From its conception, the dam was decorated with superlatives — "largest," "longest," "tallest" and, most crucially, "costliest."

Although Itaipu is jointly owned by Brazil and Paraguay, Brazil assumed financial responsibility for its construction and will eventually take 95 percent of its power. But since Itaipu Binacional Corp. was formed in 1973, the Brazilian economy as a whole, and demand for electricity in particular, have grown more slowly than anticipated.

As a result, some Brazilian electricity companies under contract to Itaipu are complaining that its power is too expensive and, at present, not needed.

"When Itaipu is fully operational, we'll have to shut down some of our own generators," said José Goldemberg, head of São Paulo's electricity companies, which are

committed to taking 50 percent of Itaipu's output.

Many opposition politicians and economists also consider Itaipu to be one of the outgoing military regime's numerous "pharaonic" projects that drove Brazil into financial crisis. Itaipu is the greatest symbol of the pernicious belief that the simple provision of abundant energy is sufficient to insure economic growth, the independent daily, Folha de São Paulo, said in an editorial.

Brazilian authorities naturally defend their investment. "It's very easy to say that we miscalculated," General José Costa Cavalcanti, the Brazilian president of Itaipu Binacional. "But when Itaipu was conceived, electricity demand was growing at 12 percent annually. That's what we had to deal with. It's not as if the electrical industry can alter its projects overnight."

General Costa Cavalcanti argued that, having dropped to just 2 percent annually in 1981, demand for electricity in the industrialized and populated south and center of

Brazil is now growing at 11 percent a year, thanks to rapid expansion of services. "With 8 percent growth, Itaipu's generators will be arriving just in time," he said.

In apparent response to complaints by Mr. Goldemberg that Itaipu's financing costs will be passed on to consumers, the general also announced that Itaipu would soon begin negotiations with commercial banks to "roll over" its \$2-billion foreign debt. He estimated Itaipu's final cost at \$9.5 billion, plus \$3 billion in financial costs and \$3.7 billion for transmission lines.

With huge concrete "cathedrals" holding back a 560-square-mile reservoir, with a spillway that discharged six times more water than the nearby Iguaçu Falls, and with generators that will eventually provide power equivalent to 350,000 barrels of oil a day, Itaipu nevertheless stands as a monument to Brazil's determination to achieve self-sufficiency in energy by 1993.

Paradoxically, the main reason for Brazil's economic slump — and

the subsequent questioning of Itaipu — was the world-oil price increases of 1973 and 1979, which, in turn, offered the best justification for the project. While Brazil has minimal hydrocarbon reserves, it has hydroelectric potential that is among the world's largest.

As a result, not only in Itaipu, but also at Tucuruí in the northern jungles of Pará State and numerous other sites, billions of dollars have been spent on raising Brazil's hydroelectric capacity. The Tucuruí dam, with an eventual capacity of 3,000 megawatts, will be inaugurated next month.

But these investments make up only one element of the "energy revolution" that has taken place here in recent years. Even in oil, Brazil has achieved impressive results. In 1980, Brazil imported 510 billion worth of oil and produced just 200,000 barrels a day at home; this year, its oil-import bill should be below \$5 billion, while output has been gradually pushed to above 500,000 barrels a day, surpassing imports. The target is one million

barrels a day production and elimination of all oil imports.

Some \$10 billion were spent in four years to raise oil production and reserves, but vast resources were also channeled into developing alcohol as a substitute fuel.

Last week, the Brazilian Air Force displayed an aircraft that flew on a new fuel called "prozeze" made entirely of oil extracted from such plants as palm, peanuts, cotton, sunflower and soy.

The only true failure of Brazil's energy drive has been its nuclear program. The Angra I reactor, with a 600-megawatt capacity, has recently begun operating on an experimental basis, but it is several years behind schedule and its power is three times more expensive than that of Itaipu.

Plans exist for continued expansion of Brazil's nuclear program, but the civilian government that should take office here next March is expected to suspend new investment in nuclear reactors in favor of continued expansion of oil production and hydroelectric power.



The Itaipu Dam, which will cost \$18 billion by the time the project is completed in 1990, is owned by Brazil and Paraguay, but Brazil is financially responsible.

## INTERNATIONAL BUSINESS OPPORTUNITIES

### Here's some good news for all, who

do business in Cologne with tight deadlines  
prepare or take part as exhibitors in one of the Cologne trade fairs  
cannot be bothered with the costs and effort of installing a permanent Cologne branch

... but who want an exclusively equipped office with highly qualified office staff and all services in one of Germany's most important centres of trade and commerce: OFFICE-RENT.

Your exclusive address for successful business in and around Cologne.  
Ask for further information:

OFFICE-RENT WANAGAT®  
Siegburger Str. 215  
D-5000 Köln 21 (Deutz)  
O 021-884001  
Telex 8873348 ofwa d W.-Germany

## At Ashley, Taste for British Country Fashions Fuels Growth in Stores Abroad

(Continued from Page 9)

high-tech world, how large is the market for the quaint trappings of 19th-century life?

So far, that market seems bottomless. "We find that our customers stay with us for a very long time," said Mr. James. "There is that factor of exclusiveness — our products are made only by Laura Ashley and can be bought only through Laura Ashley."

Peter S. Phillips, the company's finance director, added: "We've expanded extremely fast, and we've managed to keep the family flavor to a certain extent. That's essential to what we are all about and, as we grow, the question is can we keep that feeling with us."

Laura Ashley is, at base, a family business. The company began in the early 1950s on the kitchen table of Laura Ashley, an Englishwoman who designed textiles with her husband Bernard — and still does. Stunning advertising and department stores, the Ashleys set up

their own shop in London, selling Victorian frocks, elegant flower wallpaper and fabrics that harked to a bygone era. Success quickly followed.

Mrs. Ashley still hovers over the designs, sending swatches of antique fabrics and wallpapers to the company artists and approving all products. Mr. Ashley is the chairman of the company, and three of their four children work in the business. The Ashleys reside, for estate tax reasons, in an 18th-century chateau in northern France and travel in a private airplane.

Mrs. Ashley's precepts govern the design of the products and Old World "look" of the stores, which have wood floors and walls covered in Laura Ashley floral wallpapers. It is a corporate philosophy that believes that city people would rather live in the country, that people prefer natural to synthetic products, and that people today believe life in other eras was more desirable.

The company now has 4,500 employees in Europe, the United States, Canada and the Far East. It has evolved over the years into a vertically integrated company that employs advanced textile technology. It is managed by professionals with backgrounds in textiles, marketing, finance and retailing and it has relied on consultants from the accounting firm of Deloitte, Haskins & Sells to help develop its business plans.

Laura Ashley has two ancillary operations. The company publishes books in several languages — "Laura Ashley's Book of Home Decorating" and "A House in the Cotswolds," for example — featur-

ing interior decorations sold in Laura Ashley stores. It also has a catalog mail-order business that represents about 5 percent of the company's sales.

For a company that still does not advertise, Laura Ashley's store sales are impressive. Its Madison Avenue shop rings up \$1 million in sales annually; the Houston store did the same amount in its first 12 months in business.

Peter D. Revers, president of Laura Ashley's U.S. division, said, "What's fascinating is that our market here is still developing, and we're going to keep going. The American market is extremely dynamic, and we've gotten to the point where we can't push any more business through many of our stores."

All Laura Ashley stores are owned by the company and are either in shopping malls or are free-standing. Laura Ashley boutiques are also in Macy's in New York and in Bullock's in Los Angeles, although the company has no plans at present to create any additional department store outlets.

If Laura Ashley has become rich from her designs, so have others. The company has two main licensing agreements — one with Burlington Industries, which produces sheets, and the other with Henredon, a U.S. furniture maker that will be designing sofas and chairs with Laura Ashley fabrics. Laura Ashley today provides about \$60 million in retail sales for Burlington annually.

"Laura Ashley helped us dramatically," said Richard Roman, president of Burlington's domestic division. Three years ago, Burlington was looking for a designer for a new line of super-casual sheets, a high-quality sheet with 200 threads per square inch (644 square millimeters). These sheets were more expensive than Burlington's traditional line, and the company needed a way to break into a more affluent market.

"We weren't a powerhouse at the time," said Mr. Roman. "We needed the Laura Ashley name for its quality and it's been a terrific property for us." As a result of the licensing agreement, Burlington moved from a 4-percent market

share to 12 percent in the branded sheet business.

Production of Laura Ashley's U.S. goods takes place in McKee, Kentucky, a tiny mountain village near Lexington. European goods are produced at the main headquarters in Carmo or at another factory in North Brabant in the Netherlands. Right now, Laura Ashley is embroiled in a flap in England over where to locate a new \$8-million plant that would create up to 800 jobs — near its Wales operation or near its Netherlands plant.

Laura Ashley is being offered a \$2.6-million grant from the Dutch government. In the past, Laura Ashley had received the equivalent of about \$2.6 million grants from the British government to locate in the depressed mid-Wales region, where it is now the area's largest business, providing 2,300 jobs. But, now mid-Wales, thanks in part to Laura Ashley, is no longer considered economically deprived and no grants are forthcoming.

There had been talk recently that Laura Ashley might go public —

but executives at Carmo say they are not considering such a change.

"It's something that we've asked ourselves in the past," said Mr. Phillips. "And it's something that might be an option in the future. But right now, we're doing quite nicely. We're not even using our working capital, which is a reason why we should make any change."

## Swiss Lead World In a Savings Index

The Associated Press

GENEVA — Swiss residents continued to lead the world in average per-capita savings in 1983, the Geneva-based International Savings Bank Institute said Tuesday.

The survey showed Swiss residents had an average of 11,520 Swiss francs (\$14,465) in the bank. The institute said that even if savings accounts held by foreigners are excluded, the average per-capita Swiss savings still amount to 29,504 Swiss francs.

The survey said Japanese residents ranked second.

## International Business Opportunities

Learn a foreign language on your own!

For further information, contact: **Learn a foreign language on your own!**  
For further information, contact: **Learn a foreign language on your own!**  
For further information, contact: **Learn a foreign language on your own!**

## EMPLOYMENT

EXECUTIVE POSITIONS AVAILABLE

WANTED: LIFE INSURANCE professional. Experienced life insurance professional wanted for managing general agent position in Europe. Must have 10 years experience in life insurance. Salary negotiable. Send resume to: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

GENERAL POSITIONS AVAILABLE

OVERSEAS POSITIONS: Hundreds of top-paying, exciting overseas opportunities in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

FINANCIAL POSITIONS: Financial positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

TECHNICAL POSITIONS: Technical positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

SALES POSITIONS: Sales positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

MANAGEMENT POSITIONS: Management positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

RESEARCH POSITIONS: Research positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

TRAINING POSITIONS: Training positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

CONSULTING POSITIONS: Consulting positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

ADDITIONAL POSITIONS: Additional positions available in Europe, Africa, Asia, and the Americas. Free information booklet. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

FOR FURTHER INFORMATION: For further information, contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

CONTACT: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

TELEPHONE: 01-42-55-11-11.

TELEFAX: 01-42-55-11-11.

POSTAL ADDRESS: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

ELECTRONIC MAIL: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

INTERNET: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

WORLDWIDE WEB: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

MOBILE: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VOIP: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

ISDN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

ADSL: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

FTTH: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

PLC: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

SD-WAN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

VPN: **TRANSO**, 200 Avenue de la République, 75001 Paris, France.

## INTERNATIONAL CLASSIFIED

(Continued from Back Page)

AUTO SHIPPING

HOW TO IMPORT A EUROPEAN CAR INTO THE U.S.A.  
The document explains fully what one must do to bring a car into the U.S. safely and legally. It includes new, used and European cars, parts, and accessories. It also covers the importation of cars from other countries. The document is available for \$10.00. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

AUTOS TAX FREE

Large selection of tax-free cars and accessories. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

TAX FREE CARS

Large selection of tax-free cars and accessories. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

DAWADI TRADE

We keep a large stock of tax-free cars and accessories. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

INT'L DELIVERY

We keep a large stock of tax-free cars and accessories. Contact: **TRANSO**, 200 Avenue de la République, 75001 Paris, France. Tel: 01-42-55-11-11.

NEW MERCEDES CARS

Large selection of new Mercedes cars











